

**DAVIS  
GRUNSKY  
CONTRACT**

Contract No. D-GGR 17  
DWR No. 160282

STATE OF CALIFORNIA  
THE RESOURCES AGENCY  
DEPARTMENT OF WATER RESOURCES

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CONTRACT BETWEEN STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES AND  
MERCED IRRIGATION DISTRICT FOR  
RECREATION AND FISH ENHANCEMENT  
GRANTS UNDER THE  
DAVIS-GRUNSKY ACT

DATED  
OCT 31, 1967  
Term To Dec. 31, 2017

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STATE OF CALIFORNIA  
THE RESOURCES AGENCY  
DEPARTMENT OF WATER RESOURCES

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CONTRACT BETWEEN STATE OF CALIFORNIA  
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GRANTS UNDER THE  
DAVIS-GRUNSKY ACT

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THIS CONTRACT, entered into this 31st day of October , 1967, by and between the State of California, acting by and through its Department of Water Resources, herein referred to as the "State", and the Merced Irrigation District, a public agency in the State of California, duly organized, existing, and acting pursuant to the laws thereof with its principal place of business in Merced, California, herein referred to as the "Agency",

WITNESSETH, that:

WHEREAS, the Agency has filed an application with the State for recreation grants and a fish enhancement grant under the Davis-Grunsky Act (Chapter 5 [commencing with Section 12880] of Part 6 of Division 6 of the Water Code), herein referred to as the "Act", to finance part of the construction cost of the dams and reservoirs and the project described in the Agency's project feasibility report filed with said application; and

WHEREAS, the Agency has also filed an application with the State for a grant under the Act to finance the construction cost of initial water supply and sanitary facilities described in said

project feasibility report which are needed for public recreational use of said dams and reservoirs; and

WHEREAS, the State has determined that the Agency is qualified under the Act for grants to finance part of the construction cost of said dams and reservoirs and said project and grants for the construction of said initial water supply and sanitary facilities, as provided for in this contract;

NOW, THEREFORE, it is mutually agreed as follows:

A. INTRODUCTORY PROVISIONS

1. GENERAL DEFINITIONS

When used in this contract, the following terms shall have the meanings hereinafter set forth:

(a) "Project feasibility report" shall mean the "Feasibility Report Prepared for Merced Irrigation District in Support of Application for Construction and Facilities Grants Under the Provisions of the Davis-Grunsky Act, as Amended", dated December 1965, including Appendices A and B thereto, and the supplement thereto, dated May 1966, all filed with the State in support of the Agency's application for said grants under the Act.

(b) "Project plan" shall mean the project plan set forth in the project feasibility report or any revision of said project plan approved by the State.

(c) "Project" shall mean and consist of the following works which are part of the Merced River Development Project described in the project feasibility report: New Exchequer dam, reservoir and powerplant; McSwain dam, reservoir and powerplant; onshore recreation facilities; fishing access sites; and fish enhancement facilities.

(d) "New Exchequer Dam" shall mean the New Exchequer Dam, described in the project feasibility report, which is located on the Merced River in Mariposa County, California.

(e) "New Exchequer Reservoir" shall mean the reservoir which contains the water impounded by the New Exchequer Dam.

(f) "McSwain Dam" shall mean the McSwain Dam described in the project feasibility report, which is located on the Merced River in Mariposa County, California.

(g) "McSwain Reservoir" shall mean the reservoir which contains the water impounded by McSwain Dam.

(h) "Recreation plan" shall mean the recreation plan set forth in Part C of this contract.

(i) "Onshore recreation facilities" shall mean the facilities that are so designated and described in Article 15 hereof.

(j) "Fishing access sites" shall mean the land described in subdivision (a) of Article 16, together with the facilities described in subdivision (b) of Article 16.

(k) "Recreation areas" shall mean the land and water surface which the Agency shall cause to be made available for public recreation use, which are so designated and delineated on Plates 1 through 5.

(l) "Fish enhancement plan" shall mean the fish enhancement plan set forth in Part D of this contract.

(m) "Fish enhancement facilities" shall mean the facilities that are so designated and described in Article 21 hereof.

(n) "New Exchequer initial water supply and sanitary facilities" shall mean the facilities required by Article 15, subdivision (b)(1) (i) through (vii) to be installed at McClure Point, Barrett Cove, and Horseshoe Bend Recreation Areas.

(o) "McSwain initial water supply and sanitary facilities" shall mean the facilities required by Article 15, subdivision (a)(1)(i) and (ii) to be installed at the McSwain Reservoir Recreation Area.

(p) "Fish enhancement grant commitment" shall mean the maximum sum of money which the State agrees to grant to the Agency under this contract to finance part of the construction cost of the project as provided in subdivision (a) of Article 4.

(q) "New Exchequer Dam and Reservoir grant commitment" shall mean the maximum sum of money which the State agrees to grant to the Agency under this contract to finance part of the construction cost of the New Exchequer Dam and Reservoir as provided in subdivision (b) of Article 4.

(r) "McSwain Dam and Reservoir grant commitment" shall mean the maximum sum of money which the State agrees to grant to the Agency under this contract to finance part of the construction cost of the McSwain Dam and Reservoir as provided in subdivision (c) of Article 4.

(s) "Dam and reservoir grant commitment" shall mean either the New Exchequer Dam and Reservoir grant commitment or the McSwain Dam and Reservoir grant commitment, as is appropriate in the context.

(t) "New Exchequer facilities grant commitment" shall mean the maximum sum of money which the State agrees to grant to the Agency under this contract to finance the construction of the New Exchequer initial water supply and sanitary facilities as provided in subdivision (e) of Article 4.

(u) "McSwain facilities grant commitment" shall mean the maximum sum of money which the State agrees to grant to the Agency under this

contract to finance the construction of the McSwain initial water supply and sanitary facilities as provided in subdivision (f) of Article 4.

(v) "Facilities grant commitment" shall mean either the New Exchequer facilities grant commitment or the McSwain facilities grant commitment, as is appropriate in the context.

(w) "Net fish enhancement grant" shall mean the amount that has been disbursed to the Agency under subdivision (d) of Article 5 hereof plus any amount disbursed to, or minus any amount remitted by, the Agency under subdivision (e) of Article 5 hereof, and minus an appropriate portion of any amount remitted by the Agency under subdivision (f) of Article 5 hereof.

(x) "Net dam and reservoir grant" shall mean (separately with respect to grant funds for (1) New Exchequer Dam and Reservoir and (2) McSwain Dam and Reservoir) the amount that has been disbursed to the Agency under subdivision (b) of Article 5 hereof plus any amount disbursed to, or minus any amount remitted by, the Agency under subdivision (c) of Article 5 hereof, and minus an appropriate portion of any amount remitted by the Agency under subdivision (f) of Article 5 hereof.

(y) "Net facilities grant" shall mean (separately with respect to grant funds for (1) New Exchequer initial water supply and sanitary facilities and (2) McSwain initial water supply and sanitary facilities) the amount that has been disbursed to the Agency under subdivision (b) of Article 6 hereof plus any amount disbursed to, or minus any amount remitted by, the Agency under subdivision (c) of

Article 6 hereof, and minus an appropriate portion of any amount remitted by the Agency under subdivision (d) of Article 5 hereof.

(z) "Year" shall mean calendar year.

(aa) "Quarter" shall mean any period of three months beginning on the first day of January, April, July or October in any year.

(bb) "Bond resolution" shall mean the resolution of the Agency's Board of Directors dated June 25, 1964, and entitled "Resolution of the Board of Directors of Merced Irrigation District Authorizing the Issuance of \$130,000,000 principal amount of Merced River Development Revenue Bonds, to be designated Fourth Issue, prescribing the form, terms and conditions of said Bonds, and providing for the issuance of not to exceed \$36,000,000 principal amount of Bonds of the First Division of said Authorized Issue."

## 2. TERM OF CONTRACT

This contract shall become effective on the date first hereinabove written and shall remain in effect until December 31, 2017, inclusive, subject to the provisions hereof concerning earlier termination of this contract.

## 3. COURT VALIDATION OF CONTRACT

Promptly after the execution and delivery of this contract, the Agency shall file and prosecute to a final decree in a court of competent jurisdiction a special proceeding for the judicial

examination, approval, and confirmation of the proceedings had for the organization of the Agency and the proceedings of the governing body of the Agency and of the Agency leading up to and including the making of this contract and the validity of the provisions thereof; and this contract shall not be binding on the State until said Agency organization, proceedings, and contract shall have been so confirmed by a court of competent jurisdiction or pending appellate action in any court if ground for appeal be laid. This contract shall be indivisible for purposes of validation and shall not be binding on the State or the Agency unless validated in each and all of its terms and conditions as executed by the parties; provided, that the provisions of this sentence may be waived by mutual written agreement of the parties hereto.

## B. GRANT PROVISIONS

### 4. MAXIMUM GRANT AMOUNTS

The State will grant the following to the Agency in accordance with the provisions of this contract:

(a) For Project Costs (Fish Enhancement Grant Commitment)

A sum of money not to exceed Two Million One Hundred Forty-Six Thousand Dollars (\$2,146,000), to finance part of the construction cost of the project, subject to subdivision (d) below.

(b) For Costs of New Exchequer Dam and Reservoir (New Exchequer Dam and Reservoir Grant Commitment)

A sum of money not to exceed Three Million Five Hundred Thirty-two Thousand Eight Hundred Dollars (\$3,532,800), to finance part of the construction cost of New Exchequer Dam and Reservoir, subject to subdivision (d) below.

(c) For Costs of McSwain Dam and Reservoir (McSwain Dam and Reservoir Grant Commitment)

A sum of money not to exceed One Million Thirty-eight Thousand Seven Hundred Dollars (\$1,038,700), to finance part of the construction cost of McSwain Dam and Reservoir, subject to subdivision (d) below.

(d) Limit on Total Grants Under Subdivisions (a), (b) and (c)

In no event shall the total amount granted under subdivisions (a), (b) and (c) of this article exceed Six Million Five Hundred Thousand Dollars (\$6,500,000). ←

(e) For Costs of New Exchequer Initial Water Supply and Sanitary Facilities

A sum of money not to exceed One Million Two Hundred Forty-three Thousand Five Hundred Dollars (\$1,243,500), to finance the construction cost of the New Exchequer initial water supply and sanitary facilities.

(f) For Costs of McSwain Initial Water Supply and Sanitary Facilities

A sum of money not to exceed Two Hundred Twenty-seven Thousand Two Hundred Dollars (\$227,200), to finance the cost of the McSwain initial water supply and sanitary facilities.

5. GRANT DISBURSEMENTS TO FINANCE DAM AND RESERVOIR COSTS AND PROJECT COSTS

(a) Basic Conditions Precedent

The State shall not be obligated to disburse money to the Agency pursuant to the provisions of this contract to finance part of the construction cost of the project or a dam and reservoir until:

(1) The Agency obtains from a court of competent jurisdiction, in accordance with Article 3 hereof, a final decree confirming the



validity of the provisions of this contract and the validity of the other matters referred to in said Article 3.

(2) The Agency submits to the State a master work schedule on a form provided by the State showing the estimated costs of constructing the project.

(3) The State approves of the detailed plans and specifications for the project, other than the future stages of the onshore recreation facilities, including the plans and specifications for any permanent roads needed for construction, operation or maintenance of the project.

(4) The Agency demonstrates to the State's satisfaction the availability of funds which, when coupled with the grant commitments under this contract, will provide adequate financing to complete construction of the project.

(5) The Agency demonstrates to the State's satisfaction that the Agency has the necessary water rights to operate the project.

(6) The Agency demonstrates to the State's satisfaction that neither the Pacific Gas and Electric Company nor Bank of America National Trust and Savings Association, acting as Trustee under the bond resolution, will seek to prevent the Agency's compliance with the provisions of Articles 8, 12 and 26 of this contract.

(7) The Agency demonstrates to the State's satisfaction that the zoning regulations of the County of Merced are adequate to protect the Merced River Spawning Area (as such term is defined by Article 21 hereof) from gravel mining operations destructive to the spawning gravels; provided, that this Condition (7) shall apply only to the disbursement of the fish enhancement grant commitment.

(b) Disbursement of Dam and Reservoir Grant Commitment Pursuant to Quarterly Cost Statements

The provisions of this subdivision (b) and subdivision (c) below shall apply separately to the disbursement of (1) the New Exchequer Dam and Reservoir grant commitment and (2) the McSwain Dam and Reservoir grant commitment. The reference to "dam and reservoir" in such subdivisions shall mean the particular dam and reservoir for which the Agency has requested a disbursement of grant funds.

After the conditions in subdivision (a) above, except Condition (7), are met, disbursement of the whole or portions of the dam and reservoir grant commitment will be made by the State to the Agency following the receipt from the Agency of a statement or statements of quarterly incurred or estimated costs, subject to the provisions hereof. The State shall disburse to the Agency a portion of the dam and reservoir grant commitment equal to a specified percentage of the total amount of the costs shown in each statement of quarterly costs that is submitted by the Agency to the State on a form provided by the State and that is approved by the State; provided, that in relation to each such statement, the State shall not be obligated to disburse money under this contract before the fifteenth (15th) day prior to the commencement of each quarter identified in the

particular statement of quarterly costs. The percentage, hereinafter termed the "disbursement percentage", to be used under the second sentence of this paragraph in determining the portion of the dam and reservoir grant commitment to be disbursed relative to each dam and reservoir shall be as follows:

<u>Dam and Reservoir</u>	<u>Percentage</u>
New Exchequer Dam and Reservoir	15.47
McSwain Dam and Reservoir	36.85

Each statement of quarterly costs shall contain the following information:

(1) A statement of the incurred or estimated costs of work performed or to be performed in constructing the dam and reservoir under a construction contract or construction contracts or by force account during the quarter or quarters identified in the particular statement.

(2) A statement of the actual or estimated price of any interests in lands that have been or are to be necessarily acquired during the quarter or quarters identified in the particular statement for the construction of the dam and reservoir, for the construction of the onshore recreation facilities that are directly related to the dam and reservoir, and for the purpose of carrying out the portion of the recreation plan that is directly related to the dam and reservoir. The price of lands acquired for fishing access sites shall not be included.

(3) A statement of other incurred or estimated costs not included in paragraphs (1) and (2) above of this subdivision which have been or are to be necessarily incurred for dam and reservoir construction during the quarter or quarters identified in the

particular statement, including, but not limited to, such items of cost as legal and engineering services and as title searches, deposits, surveys, and appraisals for interests in lands referred to in paragraph (2) of this subdivision.

(c) Final Determination of Amount of Dam and Reservoir Grant

(1) If the total amount of money disbursed to the Agency under subdivision (b) of this article exceeds an amount equal to the disbursement percentage of the actual total construction cost of the dam and reservoir (including the actual costs of acquiring interests in lands above the high water line of the reservoir which are needed for the construction of the onshore recreation facilities and which are needed to carry out the recreation plan) the Agency shall remit to the State an amount of money equal to the excess within 30 days from the date when said actual total construction cost is determined by the State.

(2) If the total amount of money disbursed to the Agency under subdivision (b) of this article is less than an amount equal to the disbursement percentage of the actual total construction cost of the dam and reservoir (including the actual costs of acquiring interests in lands above the high water line of the reservoir which are needed for the construction of the onshore recreation facilities and which are needed to carry out the recreation plan) the State shall disburse to the Agency a portion of the dam and reservoir grant commitment equal to the difference or equal to the remaining portion of the dam and reservoir grant commitment, whichever is less, within 30 days from the date when said actual total construction cost is determined by the State.

(d) Disbursement of Fish Enhancement Grant Commitment Pursuant to Quarterly Cost Statements

After the conditions in subdivision (a) are met, disbursement of the whole or portions of the fish enhancement grant commitment will be made by the State to the Agency following the receipt from the Agency of a statement or statements of quarterly incurred or estimated costs, subject to the provisions hereof. The State shall disburse to the Agency a portion of the fish enhancement grant commitment equal to 5.02 percent of the total amount of the costs shown in each statement of quarterly costs that is submitted by the Agency to the State on a form provided by the State and that is approved by the State; provided, that in relation to each such statement, the State shall not be obligated to disburse money under this contract before the fifteenth (15th) day prior to the commencement of each quarter identified in the particular statement of quarterly costs. Each statement of quarterly costs shall contain the following information:

(1) A statement of the incurred or estimated costs of work performed or to be performed in constructing the project (excluding the onshore recreation facilities and fishing access sites) under a construction contract or construction contracts or by force account during the quarter or quarters identified in the particular statement.

(2) A statement of the actual or estimated price of any interests in lands that have been or are to be necessarily acquired during the quarter or quarters identified in the particular statement for the construction, operation, or maintenance of the project.

(3) A statement of other incurred or estimated costs not included in paragraphs (1) and (2) above of this subdivision which have been or are to be necessarily incurred for project construction during the quarter or quarters identified in the particular statement, including, but not limited to, such items of cost as legal and engineering services and as title searches, deposits, surveys, and appraisals for interests in lands referred to in paragraph (2) of this subdivision.

(e) Final Determination of Amount of Fish Enhancement Grant

(1) If the total amount of money disbursed to the Agency under subdivision (d) of this article exceeds 5.02 percent of the actual total construction cost of the project (excluding the actual total construction cost of all onshore recreation facilities and fishing access sites), the Agency shall remit to the State an amount of money equal to the excess within 30 days from the date when said actual total construction cost is determined by the State.

(2) If the total amount of money disbursed to the Agency under subdivision (d) of this article is less than 5.02 percent of the actual total construction cost of the project (excluding the actual total construction cost of the onshore recreation facilities and fishing access sites), the State shall disburse to the Agency a portion of the fish enhancement grant commitment equal to the difference or equal to the remaining portion of the fish enhancement grant commitment, whichever is less, within 30 days from the date when said actual total construction cost is determined by the State.

(f) Limit on Total Amount of Fish Enhancement Grant and Dam and Reservoir Grants

In no event shall the State be obligated to make a disbursement pursuant to this article which would cause the aggregate amount

granted under this contract pursuant to the fish enhancement grant commitment, the New Exchequer Dam and Reservoir grant commitment and the McSwain Dam and Reservoir grant commitment, calculated as the difference between the total amounts disbursed to the Agency pursuant to this article and the total amount remitted to the State by the Agency pursuant to subdivisions (c) and (e) of this article, to exceed Six Million Five Hundred Thousand Dollars (\$6,500,000). If such aggregate amount exceeds \$6,500,000, the Agency shall remit to the State an amount equal to the excess amount within 30 days from the date when the Agency receives written notice from the State of such excess amount.

6. GRANT DISBURSEMENTS TO FINANCE INITIAL WATER SUPPLY AND SANITARY FACILITIES COSTS

The provisions of this article shall apply separately to the disbursement of (1) the New Exchequer facilities grant commitment and (2) the McSwain facilities grant commitment. The reference to "initial water supply and sanitary facilities" in this article shall mean the particular set of initial water supply and sanitary facilities for which the Agency has requested a disbursement of grant funds.

(a) Basic Conditions Precedent

The State shall not be obligated to disburse money to the Agency pursuant to the provisions of this contract to finance the construction cost of the initial water supply and sanitary facilities until all of the basic conditions precedent specified in subdivision (a) of Article 5, except Condition (7), have been satisfied.

(b) Disbursement of Facilities Grants Pursuant to Quarterly Cost Statements

After the basic conditions precedent described in subdivision (a) above are met, disbursements of the whole or portions of the facilities grant commitment will be made by the State to the Agency following the receipt from the Agency of a statement or statements of quarterly incurred or estimated costs, subject to the provisions hereof. The State shall disburse to the Agency a portion of the facilities grant commitment equal to the total amount of the costs shown in each statement of quarterly costs that is submitted by the Agency to the State on a form provided by the State and that is approved by the State; provided, that in relation to each such statement, the State shall not be obligated to disburse money under this contract before the fifteenth (15th) day prior to the commencement of each quarter identified in the particular statement of quarterly costs. Each statement of quarterly costs shall contain the following information:

(1) A statement of the incurred or estimated costs of work performed or to be performed in constructing the initial water supply and sanitary facilities under a construction contract or construction contracts or by force account during the quarter or quarters identified in the particular statement.

(2) A statement of other incurred or estimated costs not included in paragraph (1) above of this subdivision which have been or are to be necessarily incurred for construction of the initial water supply and sanitary facilities during the quarter or quarters identified in the particular statement, including, but not limited to, the cost of engineering services; provided, that disbursements for



the actual or estimated price of any interests in lands that have been or are to be necessarily acquired for the construction of the initial water supply and sanitary facilities, and for title searches, deposits, surveys, appraisals and other costs incurred for acquisition of such interests in lands, shall be deemed to be included in the disbursement or disbursements made pursuant to Article 5 hereof.

(c) Final Determination of Amount of Facilities Grant

If the total amount of money disbursed to the Agency under subdivision (b) of this article exceeds the actual total construction cost of the initial water supply and sanitary facilities, the Agency shall remit to the State an amount of money equal to the excess amount within 30 days from the date when the actual total construction cost of the initial water supply and sanitary facilities is determined by the State. If the total amount of money disbursed to the Agency under subdivision (b) of this article is less than the actual total construction cost of the initial water supply and sanitary facilities, the State shall disburse to the Agency a portion of the facilities grant commitment equal to the difference or equal to the remaining portion of the facilities grant commitment, whichever is less, within 30 days from the date when the actual total construction cost of the initial water supply and sanitary facilities is determined by the State.

(d) Facilities Grants Limit

In no event shall the State be obligated to make a disbursement pursuant to this article which would cause the aggregate amount granted under this contract for construction of both the New Exchequer initial water supply and sanitary facilities and the McSwain initial

water supply and sanitary facilities, calculated as the difference between the total amount disbursed to the Agency pursuant to this article and the total amount remitted to the State by the Agency pursuant to subdivision (c) of this article, to exceed one-fourth (1/4) of the aggregate amount granted under Article 5 hereof, calculated as the difference between the total amount disbursed to the Agency pursuant to said Article 5 and the total amount remitted to the State by the Agency pursuant to subdivisions (c), (e) and (f) of said Article 5. If the aggregate amount disbursed under this contract for construction of both the New Exchequer initial water supply and sanitary facilities and the McSwain initial water supply and sanitary facilities less the total amount remitted to the State pursuant to subdivision (c) of this article relative to said facilities exceeds one-fourth (1/4) of the aggregate amount granted under Article 5 hereof, the Agency shall remit to the State an amount of money equal to the excess amount within 30 days from the date when the Agency receives written notice from the State of such excess amount.

#### 7. WITHHOLDING OF GRANT DISBURSEMENTS

The provisions of this article shall apply separately to the disbursement of (1) the fish enhancement grant commitment, (2) the New Exchequer Dam and Reservoir grant commitment and the New Exchequer facilities grant commitment, and (3) the McSwain Dam and Reservoir grant commitment and the McSwain facilities grant commitment. The reference to "dam and reservoir" or "initial water supply and sanitary facilities" in this article shall mean the particular dam and reservoir or set of initial water supply and sanitary facilities which fails to meet the

requirements of this contract. For the purposes of this article, the fishing access sites shall be deemed to be related to McSwain Dam and Reservoir.

(a) Conditions for Withholding Disbursement of Grant Commitments

If the State determines that the project, or a dam and reservoir and the related initial water supply and sanitary facilities, as the case may be, are not being constructed substantially in accordance with the provisions of this contract or if the State determines that the Agency has failed in any other respect to substantially comply with the provisions of this contract related to a particular grant commitment and if the Agency does not cause any such failure to comply with this contract to be remedied to the State's satisfaction within fifteen (15) days, or within some greater period that may be allowed by the State, from the receipt of written notice of such failure from the State, the State may withhold from the Agency all or any portion of the fish enhancement grant commitment, or the dam and reservoir and facilities grant commitments, as the case may be. During the period which the Agency has to remedy such failure, the State shall not be obligated to disburse to the Agency any portion of the pertinent grant commitments. The State shall provide the Agency with prompt written notice of any decision to withhold from the Agency pursuant to this subdivision all or any portion of a grant commitment.

(b) Withholding Entire Amount of Grant Commitment

If the State notifies the Agency that it has decided to withhold from the Agency pursuant to subdivision (a) of this article all of the fish enhancement grant commitment, or all of a dam and

reservoir grant commitment and all of a facilities grant commitment, the provisions of this contract and the obligations of the parties hereto which pertain to the fish enhancement grant, or to the dam and reservoir and the onshore recreation facilities and fishing access sites related thereto, as the case may be, shall terminate and shall no longer be binding on the parties hereto, or either of them, upon receipt of such notice by the Agency.

## 8. USE OF GRANTS

### (a) Use of Dam and Reservoir Grants

The provisions of this subdivision (a) shall apply separately to the use of grant moneys disbursed to the Agency pursuant to (1) the New Exchequer Dam and Reservoir grant commitment and (2) the McSwain Dam and Reservoir grant commitment. Accordingly, the reference to "dam and reservoir" in this subdivision shall mean the particular dam and reservoir for which the Agency receives grant moneys, and the reference to "state dam and reservoir grant account" shall mean the particular such account required by Article 26 hereof in relation to such dam and reservoir.

Moneys disbursed to the Agency pursuant to subdivision (b) of Article 5 hereof shall be placed in the related state dam and reservoir grant account in accordance with the provisions of Article 26 hereof. The moneys placed in such account shall be dealt with by the Agency in the manner hereinafter specified and used only for the purposes and in the priority hereinafter specified.

FIRST, moneys in the related state dam and reservoir grant account shall be used for (i) the payment of costs necessarily incurred by the Agency for the construction of the dam and reservoir, which costs shall include, but not be limited to, the costs of acquiring any interests in lands that are necessary for the

construction, operation, or maintenance of the dam or reservoir and the costs necessarily incurred by the Agency for the acquisition of interests in lands above the high waterline of the reservoir which are needed for the construction of the onshore recreation facilities that are related to the dam and reservoir and which are needed to carry out the related portion of the recreation plan and, with respect to New Exchequer Dam and Reservoir, the costs of relocating State Highway 49 over New Exchequer Reservoir, and (ii) the payment of a sum of money to the County of Mariposa pursuant to subdivision (b) of paragraph 2 of the agreement between the Agency and the County of Mariposa dated March 1, 1960, and entitled "Agreement Between Merced Irrigation District and the County of Mariposa for Settlement of Water Rights Dispute"; provided, that no more than the aggregate amount of One Million Two Hundred Nine Thousand Dollars (\$1,209,000) shall be expended from the state dam and reservoir grant accounts related to both of said dams and reservoirs for such purposes.

SECOND, after the completion of the construction of the dam and reservoir, any moneys then remaining in, or thereafter placed in, the state dam and reservoir grant account shall be forthwith transferred in the following priority to the following accounts established pursuant to Article 12 hereof, to be used only for the purposes and in the manner specified in said Article 12; provided, that, with the prior written approval of the State, moneys in amounts approved by the State may be retained in the state dam and reservoir grant account to pay costs specified in the immediately preceding paragraph which are unpaid on the completion date of the

construction, operation, or maintenance of the dam or reservoir and the costs necessarily incurred by the Agency for the acquisition of interests in lands above the high waterline of the reservoir which are needed for the construction of the onshore recreation facilities that are related to the dam and reservoir and which are needed to carry out the related portion of the recreation plan and, with respect to New Exchequer Dam and Reservoir, the costs of relocating State Highway 49 over New Exchequer Reservoir, and (ii) the payment of a sum of money to the County of Mariposa pursuant to subdivision (b) of paragraph 2 of the agreement between the Agency and the County of Mariposa dated March 1, 1960, and entitled "Agreement Between Merced Irrigation District and the County of Mariposa for Settlement of Water Rights Dispute"; provided, that no more than the aggregate amount of One Million Two Hundred Nine Thousand Dollars (\$1,209,000) shall be expended from the state dam and reservoir grant accounts related to both of said dams and reservoirs for such purposes.

SECOND, after the completion of the construction of the dam and reservoir, any moneys then remaining in, or thereafter placed in, the state dam and reservoir grant account shall be forthwith transferred in the following priority to the following accounts established pursuant to Article 12 hereof, to be used only for the purposes and in the manner specified in said Article 12; provided, that, with the prior written approval of the State, moneys in amounts approved by the State may be retained in the state dam and reservoir grant account to pay costs specified in the immediately preceding paragraph which are unpaid on the completion date of the

dam and reservoir but shall thereafter become due and payable:

(1) to the Recreation Plan First Stage Construction Fund, until a total of One Million Six Hundred Thirty-six Thousand Dollars (\$1,636,000) shall have been transferred to such fund; (2) to the Recreation Plan Future Stage Construction Reserve Fund, until a total of Five Hundred Eighty Thousand Dollars (\$580,000) shall have been transferred to such fund; and (3) to the Recreation Plan Operation and Maintenance Reserve Fund. None of the moneys in the state dam and reservoir grant account shall be deemed to be available at any time for transfer to the Construction Fund Reserve Account created by Section 4.06 of the bond resolution.

(b) Use of Fish Enhancement Grant

Moneys disbursed to the Agency pursuant to subdivision (d) of said Article 5 shall be placed in the State Fish Enhancement Grant Account in accordance with the provisions of said Article 26. The moneys in such account shall be dealt with by the Agency in the manner hereinafter specified and used only for the purposes and in the priority hereinafter specified.

FIRST, Two Hundred Twenty Thousand Dollars (\$220,000) of the moneys placed in the State Fish Enhancement Grant Account shall be transferred to the Fish Enhancement Plan Construction Fund, established pursuant to said Article 12, to be used only for the purposes and in the manner specified in said Article 12.

SECOND, moneys in the State Fish Enhancement Grant Account shall be used for the payment of costs necessarily incurred by the Agency for the construction of only those multiple purpose facilities of the project which, in the State's determination, are necessary to provide fish enhancement, which costs shall include,

but not be limited to, the payment of a sum of money to the County of Mariposa pursuant to subdivision (b) of paragraph 2 of the agreement between the Agency and the County of Mariposa dated March 1, 1960, and entitled "Agreement Between Merced Irrigation District and the County of Mariposa for Settlement of Water Rights Dispute", and the costs of relocating State Highway 49 over New Exchequer Reservoir; provided, that no more than One Million Six Hundred Forty-six Thousand Dollars (\$1,646,000) shall be expended from the State Fish Enhancement Grant Account for such purpose.

THIRD, after completion of the construction of both of said dams and reservoirs, any moneys then remaining in, or thereafter placed in, the State Fish Enhancement Grant Account shall be forthwith transferred in the following priority to the following accounts established pursuant to said Article 12, to be used only for the purposes and in the manner specified in said Article 12; provided, that, with the prior written approval of the State, moneys in amounts approved by the State may be retained in the State Fish Enhancement Grant Account to pay costs specified in the immediately preceding paragraph which are unpaid at the completion date of both dams and reservoirs but shall thereafter become due and payable: (1) to the Fish Enhancement Plan Operation and Maintenance Reserve Fund, until a total of Thirty-five Thousand Dollars (\$35,000) shall have been transferred to such fund; and (2) to the Recreation Plan First Stage Construction Fund. None of the moneys in the State Fish Enhancement Grant Account shall be deemed to be available at any time for transfer to the Construction Fund Reserve Account created by Section 4.06 of the bond resolution.



(c) Use of Initial Water Supply and Sanitary Facilities Grants

Moneys disbursed to the Agency pursuant to Article 6 hereof shall be placed in the State Facilities Grant Account in accordance with the provisions of said Article 26; provided, that such money shall then be forthwith transferred from such account to the Recreation Plan First Stage Construction Fund. None of the moneys in the State Facilities Grant Account shall be deemed to be available at any time for transfer to the Construction Fund Reserve Account created by Section 4.06 of the bond resolution.

9. TIMING AND MANNER OF PROJECT CONSTRUCTION

(a) Completion Date of Dams and Reservoirs

The Agency shall cause the construction of both dams and reservoirs to be completed not later than December 31, 1967; provided, that said date for completion may be extended upon written approval of the State.

(b) Construction Pursuant to Project Plan, Plans and Specifications

The project shall be constructed in accordance with the project plan and with the detailed plans and specifications for the project that are approved by the State under this contract, or with any revisions thereof approved by the State.

(c) Code Provisions

The provisions of Chapter 1 of Part 7 of Division 2 of the California Labor Code and provisions of Division 5 of Title 1 of the California Government Code, including any amendments thereof, if applicable, shall be complied with in the construction of the project.

(d) Determination of Project Completion

For the purposes of this contract, construction of the dams and reservoirs shall be considered to be completed or terminated when so determined by the State, and the State shall give the Agency prompt written notice of such determination. The State shall within 45 days from receipt of a written statement from the Agency that, in the opinion of the Agency, the construction of a dam and reservoir is completed, notify the Agency of its determination that such construction is, or is not, completed.

10. RETURN OF STATE FUNDS UPON FAILURE TO CONSTRUCT PROJECT FACILITIES

The provisions of subdivisions (a) and (b) of this article shall apply separately to (1) the New Exchequer Dam and Reservoir grant commitment and the New Exchequer facilities grant commitment, and (2) the McSwain Dam and Reservoir grant commitment and the McSwain facilities grant commitment. The reference to "dam and reservoir" in this article shall mean the particular dam and reservoir as to which a failure to construct and complete has occurred. For the purposes of this article, the fishing access sites shall be deemed to be related to McSwain Dam and Reservoir.

(a) Failure to Construct Dam, Reservoir, First Stage Onshore Recreation Facilities, or Fishing Access Sites

If the Agency fails in any substantial respect to cause the dam or reservoir to be constructed and completed in accordance with this contract or to cause the related first stage of the onshore recreation facilities or the fishing access sites to be constructed and completed in conjunction with the dam and reservoir in accordance with this contract and if the Agency does not cause such

failure to be remedied to the State's satisfaction within 90 days, or within some greater period as determined by the State, from the receipt of written notice of such failure from the State, the Agency shall, upon written demand by the State, pay to the State a sum of money equal to the net dam and reservoir grant and the related net facilities grant. Upon receipt by the State of the payment from the Agency provided for in this article, the provisions of this contract and the obligations of the parties hereto which pertain to the dam, reservoir, and related onshore recreation facilities or fishing access sites shall no longer be binding upon the parties hereto, or either of them.

(b) Failure to Construct Subsequent Stages of Onshore Recreation Facilities

If the Agency fails in any substantial respect to cause the construction and completion in accordance with this contract of any particular stage of the onshore recreation facilities related to the dam and reservoir subsequent to the first stage, and if the Agency does not cause such failure to be remedied to the State's satisfaction within 90 days, or within some greater period as determined by the State, from the receipt of written notice of such failure from the State, the Agency shall, upon written demand by the State, pay to the State:

(1) A sum of money equal to the following percentage of the net dam and reservoir grant for the dam and reservoir to which the facilities are related, for failure to cause the construction and completion of the second stage of the onshore recreation facilities:

<u>Dam and Reservoir</u>	<u>Percentage</u>
New Exchequer Dam and Reservoir	16.28
McSwain Dam and Reservoir	3.12

(2) A sum of money equal to the following percentage of the net dam and reservoir grant for the dam and reservoir to which the facilities are related, for failure to cause the construction and completion of the third stage of the onshore recreation facilities:

<u>Dam and Reservoir</u>	<u>Percentage</u>
New Exchequer Dam and Reservoir	4.40
McSwain Dam and Reservoir	1.20

Upon receipt by the State of the payment from the Agency provided for in this subdivision for failure to cause the construction or completion of any particular stage subsequent to the first stage of the onshore recreation facilities, the Agency shall no longer be obligated to cause the construction or completion of the particular stage concerning which the payment was made, and, also, shall no longer be obligated in accordance with this contract to cause the construction or completion of any subsequent stage of the onshore recreation facilities relative to the particular dam and reservoir.

(c) Failure to Construct Fish Enhancement Facilities

If the Agency fails in any substantial respect to cause the fish enhancement facilities or New Exchequer or McSwain Dams and Reservoirs to be constructed and completed in accordance with this contract and if the Agency does not cause such failure to be remedied to the State's satisfaction within 90 days, or within some greater

period as determined by the State, from the receipt of written notice of such failure from the State, the Agency shall, upon written demand by the State, pay to the State a sum of money equal to the net fish enhancement grant. The provisions of the fish enhancement plan shall no longer be binding upon the Agency after the receipt by the State of the payment from the Agency provided for in this subdivision.

11. RETURN OF STATE FUNDS UPON FAILURE TO OPERATE OR MAINTAIN PROJECT FOR RECREATION OR FISH ENHANCEMENT PURPOSES

(a) Failure to Operate for Recreation Purposes

The provisions of this subdivision (a) shall apply separately to (1) the New Exchequer Dam and Reservoir grant commitment and the New Exchequer facilities grant commitment, and (2) the McSwain Dam and Reservoir grant commitment and the McSwain facilities grant commitment. The reference to "dam and reservoir" in this article shall mean the particular dam and reservoir as to which a failure to operate or maintain has occurred. For the purposes of this article, the fishing access sites shall be deemed to be related to McSwain Dam and Reservoir.

If the Agency fails in any substantial respect to cause the dam, reservoir, completed onshore recreation facilities, or fishing access sites to be operated or maintained for recreation purposes in accordance with this contract, and if the Agency does not cause such failure to be remedied to the State's satisfaction within 90 days, or within some greater period as determined by the State, from the receipt of written notice of such failure from the State, the Agency shall, upon written demand by the State, pay to the State a sum of money equal to the total amount of the net dam and reservoir grant and the related net facilities grant, minus the amount of money that

is derived by multiplying 2.08 percent of said total amount by the number of years that the dam, reservoir, completed onshore recreation facilities, and fishing access sites were operated and maintained in accordance with this contract up to, but not including, the year in which such failure occurred. In calculating such number of years of operation and maintenance, such operation and maintenance shall be deemed to have commenced in the year in which the construction of the dam and reservoir was completed, and that year shall be computed as one full year of operation and maintenance, provided such failure did not occur in that year. Upon receipt by the State of the payment from the Agency provided for in this subdivision, the provisions of the recreation plan, and the other provisions of this contract applicable to the operation of the project for recreation purposes, shall no longer be binding upon the Agency.

(b) Failure to Operate for Fish Enhancement Purposes

If the Agency fails in any substantial respect to cause the project to be operated or maintained for fish enhancement purposes in accordance with this contract (including failure to cause the Merced River spawning area to be available as required by subdivision (f) of Article 24), and if the Agency does not cause such failure to be remedied to the State's satisfaction within 90 days, or within some greater period as determined by the State, from the receipt of written notice of such failure from the State, the Agency shall, upon written demand by the State, pay to the State a sum of money equal to the total amount of the net fish enhancement grant, minus the amount of money that is derived by multiplying 2.08 percent of said total amount by the number of years that the completed fish enhancement

facilities were operated and maintained in accordance with this contract up to, but not including, the year in which such failure occurred. In calculating such number of years of operation and maintenance, such operation and maintenance shall be deemed to have commenced upon the date of completion of the construction of the fish enhancement facilities and the year in which such date occurs shall be computed as one full year of operation and maintenance, provided such failure did not occur in that year. Upon receipt by the State of the payment from the Agency provided for in this subdivision, the provisions of the fish enhancement plan, and the other provisions of this contract applicable to the operation of the project for fish enhancement purposes, shall no longer be binding upon the Agency.

## 12. ESTABLISHMENT OF SPECIAL FUNDS

The Agency shall establish and maintain the following special funds, each of which shall be separate and distinct from all other moneys and funds of the Agency:

### (a) Recreation Plan First Stage Construction Fund

A fund entitled "Recreation Plan First Stage Construction Fund" to assure the financing of the first stage of the onshore recreation facilities and the fishing access sites. Said fund shall be drawn upon by the Agency for the purpose of paying the costs of constructing the first stage of the onshore recreation facilities related to both New Exchequer and McSwain Dams and Reservoirs and the fishing access sites in accordance with the recreation plan, and the Agency shall not draw upon said fund for any other purpose; provided, that moneys transferred to said

fund from the State Facilities Grant Account pursuant to subdivision (c) of Article 8 hereof shall be used only to pay costs of constructing the New Exchequer initial water supply and sanitary facilities and the McSwain initial water supply and sanitary facilities; provided further, that with the prior written approval of the State, the Agency may draw from the Recreation Plan First Stage Construction Fund such amounts as the State may approve to reimburse the general fund of the Agency for costs payable from the Recreation Plan First Stage Construction Fund that are paid from the general fund of the Agency prior to the establishment of the Recreation Plan First Stage Construction Fund.

(b) Recreation Plan Future Stage Construction Reserve Fund

A fund entitled "Recreation Plan Future Stage Construction Reserve Fund" to assure the financing of the second and third stages of the onshore recreation facilities. Said fund shall be drawn upon by the Agency for the purpose of paying the costs of constructing the second and third stages of the onshore recreation facilities related to both New Exchequer and McSwain Dams and Reservoirs in accordance with the recreation plan, and the Agency shall not draw upon said fund for any other purpose.



The Agency shall have the following minimum amounts of money on deposit in said fund on December 31 of each of the following years for use in constructing the second and third stages of such onshore recreation facilities:

<u>Year</u>	<u>Amount on Deposit</u>		
	<u>For Second Stage</u>	<u>For Third Stage</u>	<u>Total</u>
1967	\$420,000	\$160,000	\$580,000
1976	575,000	220,000	795,000
1986		325,000	325,000

(c) Recreation Plan Operation and Maintenance Reserve Fund

A fund entitled "Recreation Plan Operation and Maintenance Reserve Fund" to assure the financing of operation, maintenance and replacement of the onshore recreation facilities and fishing access sites. Said fund shall be drawn upon by the Agency for the purpose of paying the costs of operating, maintaining and replacing the onshore recreation facilities related to both New Exchequer and McSwain Dam and Reservoirs, the fishing access sites, and the recreation areas in accordance with the recreation plan, and the Agency shall not draw upon said fund for any other purpose; provided, that the Agency may use any moneys in said fund at any time in excess of One Million Dollars (\$1,000,000) for any other purpose of the Agency upon the prior written approval of the State.

The Agency shall have at least One Million Dollars (\$1,000,000) on deposit in said fund on or before July 1, 1968. Said principal amount of One Million Dollars and any interest accruing thereon shall be drawn upon by the Agency solely for the purpose stated above; provided, that said principal amount shall be drawn upon for such purpose only with the prior written approval of the State. If all or any part of said principal amount is used in accordance with this subdivision, the

State may require the Agency to reimburse the fund for the amount so used in accordance with a schedule approved by the State.

(d) Fish Enhancement Plan Construction Fund

A fund entitled "Fish Enhancement Plan Construction Fund" to assure the financing of the fish enhancement facilities. Said fund shall be drawn upon by the Agency for the purpose of paying the costs of constructing the fish enhancement facilities in accordance with the fish enhancement plan, and the Agency shall not draw upon said fund for any other purpose; provided, that with the prior written approval of the State, the Agency may draw from such fund such amounts as the State may approve to reimburse the general fund of the Agency for said costs that are paid from such general fund prior to the establishment of the Fish Enhancement Plan Construction Fund.

(e) Fish Enhancement Plan Operation and Maintenance Reserve Fund

A fund entitled "Fish Enhancement Plan Operation and Maintenance Reserve Fund" to assure the financing of operation, maintenance and replacement of the fish enhancement facilities. Said fund shall be drawn upon by the Agency for the purpose of paying the costs of operating, maintaining and replacing the fish enhancement facilities in accordance with the fish enhancement plan, and the Agency shall not draw upon said fund for any other purpose.

The Agency shall have at least Thirty-five Thousand Dollars (\$35,000) in said fund on or before July 1, 1968. The written approval of the State shall be obtained before any money in said fund is withdrawn. If all or any part of the money in the account is used in accordance with this section, the Agency shall reimburse the fund for the full amount so used. Such reimbursement shall be made in accordance with a schedule approved in writing by the State.

(f) Investment

The Agency shall invest the moneys in the funds established pursuant to this article which are not currently needed in United States Treasury obligations and in bank time deposits. All income from the investment of moneys in a fund shall be credited back to such fund.

(g) Abolishment

The Agency may abolish a fund established pursuant to this article and use the remaining funds for any other Agency purpose only upon the prior written approval of the State.

13. OBLIGATION TO TAX OR ASSESS FOR RECREATION PLAN

(a) Obligation to Tax or Assess

If the Agency fails to raise sufficient funds by other means, its governing body shall levy or cause to be levied taxes or assessments sufficient to pay the costs of constructing, operating, and maintaining the onshore recreation facilities, the fishing access sites, the recreation areas, and the fish enhancement facilities in accordance with the recreation plan and the fish enhancement plan and to make deposits into the special funds in accordance with Article 12 hereof.

(b) Enforcement by Officers of Agency

Taxes or assessments levied or caused to be levied by the governing body of the Agency pursuant to subdivision (a) of this article shall be enforced and collected by all officers of the Agency charged with the duty of enforcing and collecting taxes or assessments levied or caused to be levied by the Agency.

(c) Enforcement of Levy

In the event of failure, neglect, or refusal of any officer of the Agency to levy or cause to be levied any tax or assessment pursuant to subdivision (a) of this article, or to enforce or collect the tax or assessment, the State may take such action in a court of competent jurisdiction as it deems necessary to compel the performance in their proper sequence of all such duties. Action taken pursuant hereto shall not deprive the State of or limit any other remedy provided by this contract or by law.

## C. RECREATION PLAN

### 14. DEFINITIONS

When used in this Part C, the following terms shall have the meanings hereinafter set forth:

- (a) Access road: A road which is constructed or operated for automobile travel to a developed portion of a recreation area.
- (b) Boat ramp: A graded and surface-stabilized inclined roadway designed and constructed to provide for launching boats onto and removing boats from the surface of the water by means of a boat trailer.
- (c) Campground: A portion of a recreation area developed primarily for camping.
- (d) Circulation road: A road which is constructed or operated primarily for automobile travel within a developed portion of a recreation area.
- (e) Entrance station: A building or other facility so located in respect to the recreation developments that it may be operated for the collection of fees, as a checkpoint for control or use of the recreation area, or for the dissemination of information.
- (f) Family camp unit: A group of facilities within a campground, including a table with benches, a food locker, a camp stove, a parking spur, and a tent or camp trailer space, developed to accommodate a family for overnight use.
- (g) Family picnic unit: A group of facilities within a picnic ground, including a table with benches, developed to provide access to a stove and to accommodate a family for a meal in the open air.

(h) Fish cleaning facility: A facility to allow fishermen to clean fish and dispose of fish-cleaning offal in a sanitary manner.

(i) Garbage disposal facilities: Garbage cans to receive nonburnable refuse and garbage, and concrete pads and upright posts for securing the cans.

(j) Parking area: An area developed for the orderly parking of automobiles or automobile and boat-trailer combinations.

(k) Parking spur: An area developed for the parking of an automobile or automobile and trailer in conjunction with a family picnic unit or a family camp unit.

(l) Picnic ground: A portion of a recreation area developed primarily for picnicking.

(m) Ramada: A structure to provide open shade during midday for a family picnic unit or family camp unit.

(n) Recreationist: A person who uses the onshore recreation facilities, the fishing access sites, or the recreation areas for recreation purposes.

(o) Sanitary building: A building with toilets, urinals, lavatories and other fixtures and facilities as specified in subdivision (c) of Article 17.

(p) Sanitary facilities: Those facilities necessary to collect, treat, or dispose of wastes resulting from public use of the project, onshore recreation facilities, or recreation areas.

(q) Standby power unit: An auxiliary electric power source to provide power for sanitary facilities in case of an outage of the primary power source.

(r) Swimming beach: A land area located adjacent to a swimming lagoon and developed for use by sunbathers and swimmers.

(s) Swimming lagoon: A nonfluctuating swimming area separated from the main body of the reservoir by a small dam.

(t) Water supply facilities: Those facilities necessary to collect, treat, and transmit potable water from a water source to, and to distribute such water within, a recreation area.

#### 15. DESCRIPTION AND LOCATION OF ONSHORE RECREATION FACILITIES

The Agency shall cause the following onshore recreation facilities to be constructed in stages as provided in this article substantially at the locations specified in this article and designated on Plates 2 through 5, which plates are attached hereto and made a part thereof.

##### (a) McSwain Dam and Reservoir

###### (1) First Stage

(i) The following initial water supply facilities shall be installed at the McSwain Reservoir Recreation Area in the locations shown on Plate 2, in proper assemblage to provide distribution of potable water to recreationists:

(aa) One water intake unit.

(bb) One pumping installation capable of filling a 75,000 -gallon storage tank in 48 hours.

(cc) One water transmission line, extending from the water source to the storage tank, with sufficient capacity to fill said tank in 48 hours.

(dd) One water treatment plant, including equipment capable of treating the water transported by said transmission line

by coagulation, sedimentation, filtration, and chlorination, to be housed, as necessary, in a suitable building, and facilities for disposal of back-flush water.

(ee) One storage tank of at least 75,000 gallons capacity.

(ff) Water transmission lines, extending from the storage tank to the areas to be served with water, to deliver water into the water distribution lines.

(gg) Such fixtures, water distribution lines, risers, fire hydrants, hose bibbs, and other items as are necessary for the initial water supply and sanitary facilities in said recreation area to function properly

(ii) The following initial sanitary facilities shall be installed in the McSwain Reservoir Recreation Area in the locations shown on Plate 2, in proper assemblage to provide appropriate service to recreationists:

(aa) Five sanitary buildings, numbered 1 through 5 in accordance with subdivision (c) of Article 17.

(bb) Main sewer lines with connecting laterals at least 4 inches in diameter.

(cc) One sewage lift station with sufficient capacity to convey sewage resulting from public use of the first stage recreation development.

(dd) One sewage treatment plant and oxidation pond (or equivalent sewage treatment facilities acceptable to the State and public health authorities having jurisdiction) with sufficient capacity to dispose of sewage resulting from public use of the first stage recreation development.

(ee) One standby power unit for the sewage lift station and treatment plant.



(ff) Sufficient garbage disposal facilities at appropriate locations to serve recreationists.

(gg) One fish cleaning facility near each boat launching ramp.

(iii) The following additional onshore recreation facilities shall be installed at the McSwain Reservoir Recreation Area, in the locations shown on Plate 2 and described below.

✓(aa) Eighty family camp units.

✓(bb) Forty-eight family picnic units.

✓(cc) One swimming lagoon.

✓(dd) One swimming beach, extending from elevation 394 feet to a line 20 feet, measured horizontally, upslope from elevation 404 feet. The beach shall have a slope of no more than 20 percent upslope from elevation 404 feet and 10 percent downslope from elevation 404 feet.

(ee) A surface-treated parking area located no more than 400 feet from the swimming beach. The parking area shall be at least 0.8 acre in extent and sufficient to accommodate at least 96 automobiles.

(ff) One two-lane boat ramp, extending from elevation 404 feet to elevation 385 feet. The ramp shall include a maneuvering area with a minimum radius of 35 feet.

(gg) A surface-treated parking area located no more than 500 feet from the boat ramp. The parking area shall be at least one acre in extent and sufficient to accommodate at least 35 boat-trailers and 35 automobile and boat-trailer combinations.

✓(hh) Forty ramadas within the campground area and twenty-four ramadas within the picnic ground area.

✓(ii) At least 25 acres of the campground and picnic ground area shall be planted to trees by December 31, 1968. Trees so planted shall be cared for in a manner which will assure that, within 20 years of the time of planting, at least 50 percent of the campground and picnic ground area will have shade during the summer months.

(jj) Entrance stations as necessary for the collection of fees, for control or use of the recreation area, or for the dissemination of information.

✓(kk) Access roads and circulation roads as shown on Plate 2.

✓(ll) Service facilities as necessary for proper operation and maintenance of the onshore recreation facilities.

✓(mm) Appropriate signs to inform recreationists of, and encourage their compliance with, regulations for the use of roads, parking areas, sanitary facilities, beaches, campsites, and other recreation facilities.

## (2) Future Stages

The following facilities shall be installed at the McSwain Reservoir Recreation Area as the second and third stages of the onshore recreation facilities:

### (i) Second Stage

✓(aa) Twelve family picnic units, located in the areas designated "second stage" on Plate 2.

✓(bb) One boat launching lane, which shall be added to the first stage two-lane boat ramp. This lane is shown on Plate 2, and designated thereon "second stage".

The Agency shall have the following minimum amounts of money on deposit in said fund on December 31 of each of the following years for use in constructing the second and third stages of such onshore recreation facilities:

<u>Year</u>	<u>Amount on Deposit</u>		
	<u>For Second Stage</u>	<u>For Third Stage</u>	<u>Total</u>
1967	\$420,000	\$160,000	\$580,000
1976	575,000	220,000	795,000
1986		325,000	325,000

(c) Recreation Plan Operation and Maintenance Reserve Fund

A fund entitled "Recreation Plan Operation and Maintenance Reserve Fund" to assure the financing of operation, maintenance and replacement of the onshore recreation facilities and fishing access sites. Said fund shall be drawn upon by the Agency for the purpose of paying the costs of operating, maintaining and replacing the onshore recreation facilities related to both New Exchequer and McSwain Dam and Reservoirs, the fishing access sites, and the recreation areas in accordance with the recreation plan, and the Agency shall not draw upon said fund for any other purpose; provided, that the Agency may use any moneys in said fund at any time in excess of One Million Dollars (\$1,000,000) for any other purpose of the Agency upon the prior written approval of the State.

The Agency shall have at least One Million Dollars (\$1,000,000) on deposit in said fund on or before July 1, 1968. Said principal amount of One Million Dollars and any interest accruing thereon shall be drawn upon by the Agency solely for the purpose stated above; provided, that said principal amount shall be drawn upon for such purpose only with the prior written approval of the State. If all or any part of said principal amount is used in accordance with this subdivision, the

State may require the Agency to reimburse the fund for the amount so used in accordance with a schedule approved by the State.

(d) Fish Enhancement Plan Construction Fund

A fund entitled "Fish Enhancement Plan Construction Fund" to assure the financing of the fish enhancement facilities. Said fund shall be drawn upon by the Agency for the purpose of paying the costs of constructing the fish enhancement facilities in accordance with the fish enhancement plan, and the Agency shall not draw upon said fund for any other purpose; provided, that with the prior written approval of the State, the Agency may draw from such fund such amounts as the State may approve to reimburse the general fund of the Agency for said costs that are paid from such general fund prior to the establishment of the Fish Enhancement Plan Construction Fund.

(e) Fish Enhancement Plan Operation and Maintenance Reserve Fund

A fund entitled "Fish Enhancement Plan Operation and Maintenance Reserve Fund" to assure the financing of operation, maintenance and replacement of the fish enhancement facilities. Said fund shall be drawn upon by the Agency for the purpose of paying the costs of operating, maintaining and replacing the fish enhancement facilities in accordance with the fish enhancement plan, and the Agency shall not draw upon said fund for any other purpose.

The Agency shall have at least Thirty-five Thousand Dollars (\$35,000) in said fund on or before July 1, 1968. The written approval of the State shall be obtained before any money in said fund is withdrawn. If all or any part of the money in the account is used in accordance with this section, the Agency shall reimburse the fund for the full amount so used. Such reimbursement shall be made in accordance with a schedule approved in writing by the State.

The Agency shall have the following minimum amounts of money on deposit in said fund on December 31 of each of the following years for use in constructing the second and third stages of such onshore recreation facilities:

<u>Year</u>	<u>Amount on Deposit</u>		
	<u>For Second Stage</u>	<u>For Third Stage</u>	<u>Total</u>
1967	\$420,000	\$160,000	\$580,000
1976	575,000	220,000	795,000
1986		325,000	325,000

(c) Recreation Plan Operation and Maintenance Reserve Fund

A fund entitled "Recreation Plan Operation and Maintenance Reserve Fund" to assure the financing of operation, maintenance and replacement of the onshore recreation facilities and fishing access sites. Said fund shall be drawn upon by the Agency for the purpose of paying the costs of operating, maintaining and replacing the onshore recreation facilities related to both New Exchequer and McSwain Dam and Reservoirs, the fishing access sites, and the recreation areas in accordance with the recreation plan, and the Agency shall not draw upon said fund for any other purpose; provided, that the Agency may use any moneys in said fund at any time in excess of One Million Dollars (\$1,000,000) for any other purpose of the Agency upon the prior written approval of the State.

The Agency shall have at least One Million Dollars (\$1,000,000) on deposit in said fund on or before July 1, 1968. Said principal amount of One Million Dollars and any interest accruing thereon shall be drawn upon by the Agency solely for the purpose stated above; provided, that said principal amount shall be drawn upon for such purpose only with the prior written approval of the State. If all or any part of said principal amount is used in accordance with this subdivision, the

State may require the Agency to reimburse the fund for the amount so used in accordance with a schedule approved by the State.

(d) Fish Enhancement Plan Construction Fund

A fund entitled "Fish Enhancement Plan Construction Fund" to assure the financing of the fish enhancement facilities. Said fund shall be drawn upon by the Agency for the purpose of paying the costs of constructing the fish enhancement facilities in accordance with the fish enhancement plan, and the Agency shall not draw upon said fund for any other purpose; provided, that with the prior written approval of the State, the Agency may draw from such fund such amounts as the State may approve to reimburse the general fund of the Agency for said costs that are paid from such general fund prior to the establishment of the Fish Enhancement Plan Construction Fund.

(e) Fish Enhancement Plan Operation and Maintenance Reserve Fund

A fund entitled "Fish Enhancement Plan Operation and Maintenance Reserve Fund" to assure the financing of operation, maintenance and replacement of the fish enhancement facilities. Said fund shall be drawn upon by the Agency for the purpose of paying the costs of operating, maintaining and replacing the fish enhancement facilities in accordance with the fish enhancement plan, and the Agency shall not draw upon said fund for any other purpose.

The Agency shall have at least Thirty-five Thousand Dollars (\$35,000) in said fund on or before July 1, 1968. The written approval of the State shall be obtained before any money in said fund is withdrawn. If all or any part of the money in the account is used in accordance with this section, the Agency shall reimburse the fund for the full amount so used. Such reimbursement shall be made in accordance with a schedule approved in writing by the State.

(f) Investment

The Agency shall invest the moneys in the funds established pursuant to this article which are not currently needed in United States Treasury obligations and in bank time deposits. All income from the investment of moneys in a fund shall be credited back to such fund.

(g) Abolishment

The Agency may abolish a fund established pursuant to this article and use the remaining funds for any other Agency purpose only upon the prior written approval of the State.

13. OBLIGATION TO TAX OR ASSESS FOR RECREATION PLAN

(a) Obligation to Tax or Assess

If the Agency fails to raise sufficient funds by other means, its governing body shall levy or cause to be levied taxes or assessments sufficient to pay the costs of constructing, operating, and maintaining the onshore recreation facilities, the fishing access sites, the recreation areas, and the fish enhancement facilities in accordance with the recreation plan and the fish enhancement plan and to make deposits into the special funds in accordance with Article 12 hereof.

(b) Enforcement by Officers of Agency

Taxes or assessments levied or caused to be levied by the governing body of the Agency pursuant to subdivision (a) of this article shall be enforced and collected by all officers of the Agency charged with the duty of enforcing and collecting taxes or assessments levied or caused to be levied by the Agency.

(c) Enforcement of Levy

In the event of failure, neglect, or refusal of any officer of the Agency to levy or cause to be levied any tax or assessment pursuant to subdivision (a) of this article, or to enforce or collect the tax or assessment, the State may take such action in a court of competent jurisdiction as it deems necessary to compel the performance in their proper sequence of all such duties. Action taken pursuant hereto shall not deprive the State of or limit any other remedy provided by this contract or by law.



## C. RECREATION PLAN

### 14. DEFINITIONS

When used in this Part C, the following terms shall have the meanings hereinafter set forth:

- (a) Access road: A road which is constructed or operated for automobile travel to a developed portion of a recreation area.
- (b) Boat ramp: A graded and surface-stabilized inclined roadway designed and constructed to provide for launching boats onto and removing boats from the surface of the water by means of a boat trailer.
- (c) Campground: A portion of a recreation area developed primarily for camping.
- (d) Circulation road: A road which is constructed or operated primarily for automobile travel within a developed portion of a recreation area.
- (e) Entrance station: A building or other facility so located in respect to the recreation developments that it may be operated for the collection of fees, as a checkpoint for control or use of the recreation area, or for the dissemination of information.
- (f) Family camp unit: A group of facilities within a campground, including a table with benches, a food locker, a camp stove, a parking spur, and a tent or camp trailer space, developed to accommodate a family for overnight use.
- (g) Family picnic unit: A group of facilities within a picnic ground, including a table with benches, developed to provide access to a stove and to accommodate a family for a meal in the open air.

(h) Fish cleaning facility: A facility to allow fishermen to clean fish and dispose of fish-cleaning offal in a sanitary manner.

(i) Garbage disposal facilities: Garbage cans to receive nonburnable refuse and garbage, and concrete pads and upright posts for securing the cans.

(j) Parking area: An area developed for the orderly parking of automobiles or automobile and boat-trailer combinations.

(k) Parking spur: An area developed for the parking of an automobile or automobile and trailer in conjunction with a family picnic unit or a family camp unit.

(l) Picnic ground: A portion of a recreation area developed primarily for picnicking.

(m) Ramada: A structure to provide open shade during midday for a family picnic unit or family camp unit.

(n) Recreationist: A person who uses the onshore recreation facilities, the fishing access sites, or the recreation areas for recreation purposes.

(o) Sanitary building: A building with toilets, urinals, lavatories and other fixtures and facilities as specified in subdivision (c) of Article 17.

(p) Sanitary facilities: Those facilities necessary to collect, treat, or dispose of wastes resulting from public use of the project, onshore recreation facilities, or recreation areas.

(q) Standby power unit: An auxiliary electric power source to provide power for sanitary facilities in case of an outage of the primary power source.

(r) Swimming beach: A land area located adjacent to a swimming lagoon and developed for use by sunbathers and swimmers.

(s) Swimming lagoon: A nonfluctuating swimming area separated from the main body of the reservoir by a small dam.

(t) Water supply facilities: Those facilities necessary to collect, treat, and transmit potable water from a water source to, and to distribute such water within, a recreation area.

#### 15. DESCRIPTION AND LOCATION OF ONSHORE RECREATION FACILITIES

The Agency shall cause the following onshore recreation facilities to be constructed in stages as provided in this article substantially at the locations specified in this article and designated on Plates 2 through 5, which plates are attached hereto and made a part thereof.

##### (a) McSwain Dam and Reservoir

###### (1) First Stage

(i) The following initial water supply facilities shall be installed at the McSwain Reservoir Recreation Area in the locations shown on Plate 2, in proper assemblage to provide distribution of potable water to recreationists:

(aa) One water intake unit.

(bb) One pumping installation capable of filling a 75,000 -gallon storage tank in 48 hours.

(cc) One water transmission line, extending from the water source to the storage tank, with sufficient capacity to fill said tank in 48 hours.

(dd) One water treatment plant, including equipment capable of treating the water transported by said transmission line

by coagulation, sedimentation, filtration, and chlorination, to be housed, as necessary, in a suitable building, and facilities for disposal of back-flush water.

(ee) One storage tank of at least 75,000 gallons capacity.

(ff) Water transmission lines, extending from the storage tank to the areas to be served with water, to deliver water into the water distribution lines.

(gg) Such fixtures, water distribution lines, risers, fire hydrants, hose bibbs, and other items as are necessary for the initial water supply and sanitary facilities in said recreation area to function properly

(ii) The following initial sanitary facilities shall be installed in the McSwain Reservoir Recreation Area in the locations shown on Plate 2, in proper assemblage to provide appropriate service to recreationists:

(aa) Five sanitary buildings, numbered 1 through 5 in accordance with subdivision (c) of Article 17.

(bb) Main sewer lines with connecting laterals at least 4 inches in diameter.

(cc) One sewage lift station with sufficient capacity to convey sewage resulting from public use of the first stage recreation development.

(dd) One sewage treatment plant and oxidation pond (or equivalent sewage treatment facilities acceptable to the State and public health authorities having jurisdiction) with sufficient capacity to dispose of sewage resulting from public use of the first stage recreation development.

(ee) One standby power unit for the sewage lift station and treatment plant.

(ff) Sufficient garbage disposal facilities at appropriate locations to serve recreationists.

(gg) One fish cleaning facility near each boat launching ramp.

(iii) The following additional onshore recreation facilities shall be installed at the McSwain Reservoir Recreation Area, in the locations shown on Plate 2 and described below.

✓(aa) Eighty family camp units.

✓(bb) Forty-eight family picnic units.

✓(cc) One swimming lagoon.

✓(dd) One swimming beach, extending from elevation 394 feet to a line 20 feet, measured horizontally, upslope from elevation 404 feet. The beach shall have a slope of no more than 20 percent upslope from elevation 404 feet and 10 percent downslope from elevation 404 feet.

(ee) A surface-treated parking area located no more than 400 feet from the swimming beach. The parking area shall be at least 0.8 acre in extent and sufficient to accommodate at least 96 automobiles.

(ff) One two-lane boat ramp, extending from elevation 404 feet to elevation 385 feet. The ramp shall include a maneuvering area with a minimum radius of 35 feet.

(gg) A surface-treated parking area located no more than 500 feet from the boat ramp. The parking area shall be at least one acre in extent and sufficient to accommodate at least 35 boat-trailers and 35 automobile and boat-trailer combinations.

✓(hh) Forty ramadas within the campground area and twenty-four ramadas within the picnic ground area.

✓(ii) At least 25 acres of the campground and picnic ground area shall be planted to trees by December 31, 1968. Trees so planted shall be cared for in a manner which will assure that, within 20 years of the time of planting, at least 50 percent of the campground and picnic ground area will have shade during the summer months.

(jj) Entrance stations as necessary for the collection of fees, for control or use of the recreation area, or for the dissemination of information.

✓(kk) Access roads and circulation roads as shown on Plate 2.

✓(ll) Service facilities as necessary for proper operation and maintenance of the onshore recreation facilities.

✓(mm) Appropriate signs to inform recreationists of, and encourage their compliance with, regulations for the use of roads, parking areas, sanitary facilities, beaches, campsites, and other recreation facilities.

## (2) Future Stages

The following facilities shall be installed at the McSwain Reservoir Recreation Area as the second and third stages of the onshore recreation facilities:

### (i) Second Stage

✓(aa) Twelve family picnic units, located in the areas designated "second stage" on Plate 2.

✓(bb) One boat launching lane, which shall be added to the first stage two-lane boat ramp. This lane is shown on Plate 2, and designated thereon "second stage".

(cc) An additional surface-treated parking area, at least 0.2 acre in extent, sufficient to accommodate at least 24 automobiles and located so as to provide recreationists with ready access to the picnic units.

(dd) An additional surface-treated parking area, at least 0.5 acre in extent, sufficient to accommodate at least 17 boat-trailers and 18 automobile and boat-trailer combinations, and located so as to provide recreationists with ready access to the boat ramp.

✓(ee) Six ramadas within the picnic ground area.

✓(ii) Third Stage

(aa) Twelve family picnic units, located in the areas designated "third stage" on Plate 2.

(bb) An additional surface-treated parking area, at least 0.2 acre in extent, sufficient to accommodate at least 24 automobiles, and located so as to provide recreationists with ready access to the picnic units.

✓(cc) Six ramadas within the picnic ground area.

(iii) The Agency shall cause adequate sanitary facilities, water supply facilities, access roads, circulation roads, entrance stations, service facilities and signs to be constructed, operated, and maintained at appropriate times and locations to serve recreationists using the onshore recreation facilities described in (i) and (ii) above.

(b) New Exchequer Dam and Reservoir

(1) First Stage

(i) The following initial water supply facilities shall be installed at the McClure Point Recreation Area in the locations

shown on Plate 3, in proper assemblage to provide distribution of potable water to recreationists:

(aa) One water intake unit.

(bb) One pumping installation capable of filling a 85,000-gallon storage tank in 48 hours.

(cc) One water transmission line, extending from the water source to the storage tank, with sufficient capacity to fill said tank in 48 hours.

(dd) One water treatment plant, including equipment capable of treating the water transported by said transmission line by coagulation, sedimentation, filtration, and chlorination, to be housed, as necessary, in a suitable building, and facilities for disposal of back-flush water.

(ee) One storage tank of at least 85,000 gallons capacity.

(ff) Water transmission lines extending from the storage tank to the areas to be served with water, to deliver water into the water distribution lines.

(gg) Such fixtures, water distribution lines, risers, fire hydrants, hose bibbs, and other items as are necessary for the initial water supply and sanitary facilities in said recreation area to function properly.

(ii) The following initial water supply facilities shall be installed at the Barrett Cove Recreation Area in the locations shown on Plate 4, in proper assemblage to provide distribution of potable water to recreationists:

(aa) One water intake unit.

(bb) One pumping installation capable of filling a 195,000-gallon storage tank in 48 hours.



(cc) One water transmission line, extending from the water source to the storage tank, with sufficient capacity to fill said tank in 48 hours.

(dd) One water treatment plant, including equipment capable of treating the water transported by said transmission line by coagulation, sedimentation, filtration, and chlorination, to be housed, as necessary, in a suitable building, and facilities for disposal of back-flush water.

(ee) One storage tank of at least 195,000 gallons capacity.

(ff) Water transmission lines extending from the storage tank to the areas to be served with water, to deliver water into the water distribution lines.

(gg) Such fixtures, water distribution lines, risers, fire hydrants, hose bibbs, and other items as are necessary for the initial water supply and sanitary facilities in said recreation area to function properly.

(iii) The following initial water supply facilities shall be installed at the Horseshoe Bend Recreation Area in the locations shown on Plate 5, in proper assemblage to provide distribution of potable water to recreationists:

(aa) One water intake unit.

(bb) One pumping installation capable of filling a 65,000-gallon storage tank in 48 hours.

(cc) One water transmission line, extending from the water source to the storage tank, with sufficient capacity to fill said tank in 48 hours.

(dd) One water treatment plant, including equipment capable of treating the water transported by said transmission line

by coagulation, sedimentation, filtration, and chlorination, to be housed, as necessary, in a suitable building, and facilities for disposal of back-flush water.

(ee) One storage tank of at least 65,000 gallons capacity.

(ff) Water transmission lines extending from the storage tank to the areas to be served with water, to deliver water into the water distribution lines.

(gg) Such fixtures, water distribution lines, risers, fire hydrants, hose bibbs, and other items as are necessary for the initial water supply and sanitary facilities in said recreation area to function properly.

(iv) The following initial sanitary facilities shall be installed in the McClure Point Recreation Area in the locations shown on Plate 3, in proper assemblage to provide appropriate service to recreationists:

(aa) Five sanitary buildings, numbered 6 through 10 in accordance with subdivision (c) of Article 17.

(bb) Main sewer lines with connecting laterals at least 4 inches in diameter.

(cc) Two sewage lift stations with sufficient capacity to convey sewage resulting from public use of the first stage recreation development.

(dd) One sewage treatment plant and oxidation pond (or equivalent sewage treatment facilities acceptable to the State and public health authorities having jurisdiction) with sufficient capacity to dispose of sewage resulting from public use of the first stage recreation development.

(ee) One standby power unit for the sewage lift stations and treatment plant.

(v) The following initial sanitary facilities shall be installed in the Barrett Cove Recreation Area in the locations shown on Plate 4, in proper assemblage to provide appropriate service to the recreationists:

(aa) Eleven sanitary buildings, numbered 11 through 21, in accordance with subdivision (c) of Article 17.

(bb) Main sewer lines with connecting laterals at least 4 inches in diameter.

(cc) Three sewage lift stations with sufficient capacity to convey sewage resulting from public use of the first stage recreation development.

(dd) One sewage treatment plant and oxidation pond (or equivalent sewage treatment facilities acceptable to the State and public health authorities having jurisdiction) with sufficient capacity to dispose of sewage resulting from public use of the first stage recreation development.

(ee) One standby power unit for the sewage lift stations and treatment plant.

(vi) The following initial sanitary facilities shall be installed in the Horseshoe Bend Recreation Area in the locations shown on Plate 5, in proper assemblage to provide appropriate service to recreationists:

(aa) Three sanitary buildings, numbered 22, 23 and 24 in accordance with subdivision (c) of Article 17.

(bb) Main sewer lines with connecting laterals at least 4 inches in diameter.

(cc) One sewage lift station with sufficient capacity to convey sewage resulting from public use of the first stage recreation development.

(dd) One sewage treatment plant and oxidation pond (or equivalent sewage treatment facilities acceptable to the State and public health authorities having jurisdiction) with sufficient capacity to dispose of sewage resulting from public use of the first stage recreation development.

(ee) One standby power unit for the sewage lift station and treatment plant.

(vii) The initial sanitary facilities at each of the New Exchequer Dam and Reservoir Recreation Areas shall include sufficient garbage disposal facilities at appropriate locations to serve recreationists and one fish cleaning facility near each boat launching ramp.

(viii) The following additional onshore recreation facilities shall be installed at the McClure Point Recreation Area, in the locations shown on Plate 3.

(aa) Eighty-three family camp units.

(bb) Sixty-four family picnic units.

(cc) One swimming lagoon.

(dd) One swimming beach, extending from elevation 860 feet to a line 20 feet, measured horizontally, upslope from elevation 870 feet. The beach shall have a slope of no more than 20 percent upslope from elevation 870 feet and 10 percent downslope from elevation 870 feet.

(ee) A surface-treated parking area located no more than 400 feet from the swimming beach. The parking area shall be at least 1.07 acre in extent and sufficient to accommodate at least 128 automobiles.

(ff) One three-lane boat ramp consisting of three sections, the first extending from elevation 870 feet to elevation

845 feet, the second from elevation 847 feet to elevation 820 feet, and the third from elevation 823 feet to elevation 797 feet. At the beginning of each section a maneuvering area with a minimum radius of 35 feet shall be provided.

(gg) A surface-treated parking area located no more than 500 feet from the boat ramp. The parking area shall be at least 1.5 acre in extent and sufficient to accommodate at least 52 boat-trailers and 53 automobile and boat-trailer combinations.

(hh) Forty-two ramadas within the campground area and thirty-two ramadas within the picnic ground area.

(ii) At least 200 acres of the campground and picnic ground area shall be planted to trees by December 31, 1969. Trees so planted shall be cared for in a manner which will assure that, within 20 years of the time of planting, at least 50 percent of the campground and picnic ground area will have shade during the summer months.

(ix) The following additional onshore recreation facilities shall be installed at the Barrett Cove Recreation Area, in the locations shown on Plate 4.

(aa) Two hundred fifty family camp units.

(bb) Ninety-six family picnic units.

(cc) One swimming lagoon.

(dd) One swimming beach, extending from elevation 860 feet to a line 20 feet, measured horizontally, upslope from elevation 870 feet. The beach shall have a slope of no more than 20 percent upslope from elevation 870 feet and 10 percent downslope from elevation 870 feet.

(ee) A surface-treated parking area located no more than 400 feet from the swimming beach. The parking area shall be at least 1.6 acre in extent and sufficient to accommodate at least 192 automobiles.

(ff) Two boat ramps: one two-lane boat ramp (marked "BR 1" on Plate 4) consisting of three sections, the first extending from elevation 870 feet to elevation 845 feet, the second from elevation 847 feet to elevation 820 feet, and the third from elevation 824 feet to elevation 797 feet. One two-lane boat ramp (marked "BR 2" on Plate 4) consisting of three sections, the first extending from elevation 870 feet to elevation 850 feet, the second from elevation 853 feet to elevation 820 feet, and the third from elevation 825 feet to elevation 797 feet. At the beginning of each section of each boat ramp a maneuvering area with a minimum radius of 35 feet shall be provided.

(gg) Two surface-treated parking areas, one located no more than 500 feet from the boat ramp designated "BR 1", at least 1 acre in extent and sufficient to accommodate at least 35 boat-trailers and 35 automobile and boat-trailer combinations, and the other located no more than 500 feet from the boat ramp designated "BR 2", at least 1 acre in extent and sufficient to accommodate at least 35 boat-trailers and 35 automobile and boat-trailer combinations.

(x) The following additional onshore recreation facilities shall be installed at the Horseshoe Bend Recreation Area, in the locations shown on Plate 5.

(aa) Eighty-three family camp units.

(bb) Thirty-two family picnic units.

(cc) One swimming lagoon.

(dd) One swimming beach, extending from elevation 860 feet to a line 20 feet, measured horizontally, upslope from elevation 870 feet. The beach shall have a slope of no more than 20 percent upslope from elevation 870 feet and 10 percent downslope from elevation 870 feet.

(ee) A surface-treated parking area located no more than 400 feet from the swimming beach. The parking area shall be at least 0.54 acre in extent and sufficient to accommodate at least 64 automobiles.

(ff) One two-lane boat ramp consisting of three sections, the first extending from elevation 870 feet to elevation 845 feet, the second from elevation 847 feet to elevation 830 feet, and the third from elevation 833 feet to elevation 797 feet. At the beginning of each section a maneuvering area with a minimum radius of 35 feet shall be provided.

(gg) A surface-treated parking area located no more than 500 feet from the boat ramp. The parking area shall be at least 1 acre in extent and sufficient to accommodate at least 35 boat-trailers and 35 automobiles and boat-trailer combinations.

(hh) Forty-two ramadas within the campground area and sixteen ramadas within the picnic ground area.

(ii) At least 25 acres of the campground and picnic ground area shall be planted to trees by December 31, 1969. Trees so planted shall be cared for in a manner which will assure that, within 20 years of the time of planting, at least 50 percent of the campground and picnic ground area will have shade during the summer months.

(xi) Each recreation area of the New Exchequer Dam and Reservoir shall also have the following onshore recreation facilities:

(aa) Entrance stations as necessary for the collection of fees, for control or use of the recreation area, or for the dissemination of information.

(bb) Access roads and circulation roads as shown on Plates 3, 4 and 5.

(cc) Service facilities as necessary for proper operation and maintenance of the onshore recreation facilities.

(dd) Appropriate signs to inform recreationists of, and encourage their compliance with, regulations for the use of roads, parking areas, sanitary facilities, beaches, campsites and other recreation facilities.

(2) Future Stages at New Exchequer Dam and Reservoir

The following facilities shall be installed at the designated recreation areas of New Exchequer Dam and Reservoir as the second and third stages of the onshore recreation facilities.

(i) McClure Point Recreation Area, Second Stage

(aa) One hundred twenty-five family camp units, located in the areas designated as "second stage" on Plate 3.

(bb) Sixteen family picnic units, located in the areas designated as "second stage" on Plate 3.

(cc) An additional surface-treated parking area, at least 0.27 acre in extent, sufficient to accommodate at least 32 automobiles, and located so as to provide recreationists with ready access to the picnic units.

(dd) One additional one-lane boat ramp (designated "stage two" on Plate 3) which shall be located on the north side



of the recreation area. The ramp shall consist of three sections, the first extending from elevation 870 feet to elevation 845 feet, the second from elevation 850 feet to elevation 820 feet, and the third from elevation 823 feet to elevation 797 feet. A maneuvering area with a minimum radius of 35 feet shall be provided at the beginning of each section.

(ee) A surface-treated parking area at least 0.5 acre in extent, sufficient to accommodate at least 17 boat-trailers and 18 automobile and boat-trailer combinations, and located so as to provide recreationists with ready access to the boat ramp.

(ff) Sixty-two ramadas within the campground area and eight ramadas within the picnic ground area.

(ii) McClure Point Recreation Area, Third Stage

(aa) Forty-one family camp units, located in the areas designated "third stage" on Plate 3.

(bb) Sixteen family picnic units, located in the areas designated "third stage" on Plate 3.

(cc) An additional surface-treated parking area at least 0.72 acre in extent, sufficient to accommodate at least 32 automobiles, and located so as to provide recreationists with ready access to the picnic units.

(iii) Barrett Cove Recreation Area, Second Stage

(aa) Sixty-one family camp units, located in the areas designated "second stage" on Plate 4.

(bb) Thirty-three family picnic units located in the areas designated "second stage" on Plate 4.

(cc) One additional boat launching lane which shall be added to the boat ramp designated "BR 1" on Plate 4. This

lane is shown on Plate 4, and designated thereon "second stage".

(dd) An additional surface-treated parking area at least 0.55 acre in extent, sufficient to accommodate at least 66 automobiles, and located so as to provide recreationists with ready access to the picnic units.

(ee) An additional surface-treated parking area at least 0.5 acre in extent, sufficient to accommodate at least 17 boat-trailers and 18 automobile and boat-trailer combinations, and located so as to provide recreationists with ready access to the boat ramps.

(iv) Barrett Cove Recreation Area, Third Stage

(aa) Sixty-three family camp units located in the areas designated "third stage" on Plate 4.

(bb) Thirty-one family picnic units located in the areas designated "third stage" on Plate 4.

(cc) An additional surface-treated parking area at least 0.52 acre in extent, sufficient to accommodate at least 62 automobiles, and located so as to provide recreationists with ready access to the picnic units.

(dd) One additional boat launching lane which shall be added to the boat ramp designated "BR 1" on Plate 4. This lane is shown on Plate 4, and designated thereon "third stage".

(ee) One additional one-lane boat ramp (designated "stage three" on Plate 4) which shall be located on the south side of the recreation area. The ramp shall consist of three sections, the first section from elevation 870 feet to elevation 850 feet, the second from elevation 853 feet to elevation 820

feet, and the third from elevation 823 feet to elevation 797 feet. A maneuvering area with a minimum radius of 35 feet shall be provided at the beginning of each section.

(ff) Surface-treated parking areas at least 1 acre in extent, sufficient to accommodate at least 35 boat trailers and 35 automobile and boat trailer combinations, and located so as to provide recreationists with ready access to the boat ramp.

(v) The Agency shall cause adequate sanitary facilities, water supply facilities, access roads, circulation roads, entrance stations, service facilities, and signs to be constructed, operated, and maintained at appropriate times and locations to serve recreationists using the onshore recreation facilities described in (i), (ii), (iii) and (iv) above.

#### 16. MERCED RIVER FISHING ACCESS SITES

##### (a) Acquisition of Property; Location of Fishing Access Sites

The Agency shall acquire fee title (or such other property rights, extending at least as long as the term of this contract, as may be approved in writing by the State) to the four fishing access sites on the main channel of the Merced River which are described generally below and are shown on Plate 6. Sufficient property shall be acquired at each site to provide for the facilities described in subdivision (b) and to make at least 2,000 feet of river frontage available to the public for fishing access. The four fishing access sites shall be: (1) the Crocker-Huffman Dam site, located on the north bank of Merced River approximately four miles east of Snelling along the Merced Falls Road; (2) the Henderson site, located on the north bank of Merced River approximately one mile east of Snelling on the east side of Henderson County Park; (3) the Shaffer Bridge

site, located on the north bank of Merced River approximately seven miles upstream from Highway 99 adjacent to the Oakdale Road crossing of the Merced River; and (4) the Cressy Bridge site, located on the north bank of Merced River approximately four miles upstream from Highway 99 at the Santa Fe Railroad Bridge.

(b) Facilities to be Constructed

The following recreation facilities shall be installed separately at each of the following Merced River fishing access sites, in proper assemblage to provide appropriate service to recreationists, and in the approximate locations within the fishing access sites shown on Plate 6.

(aa) A domestic water supply system capable of supplying at least 40 gallons of potable water per minute, consisting of a well, pump, pressure tank and other necessary appurtenances, together with such fixtures, water distribution lines, risers, fire hydrants, hose bibbs, and other items as are necessary for the water supply and sanitary facilities at the fishing access site to function properly.

(bb) One sanitary building, numbered 25, 26, 27 or 28 in accordance with subdivision (c) of Article 17.

(cc) Ten family picnic units.

(dd) One fish cleaning facility.

(ee) Sufficient garbage disposal facilities to serve recreationists using the fishing access site.

(ff) A surface-treated parking area, sufficient to accommodate at least 50 automobiles and located so as to provide recreationists with ready access to the picnic units and comfort station.

(gg) Adequate access roads and circulations roads to serve recreationists using the fishing access site.

(hh) Appropriate signs to inform recreationists of, and encourage their compliance with, regulations for the use of the fishing access site.

#### 17. GENERAL RECREATION FACILITIES SPECIFICATIONS

Facilities required by this contract shall meet the following specifications:

(a) There shall be no more than five family camp units in an acre, placed so as to give the users thereof ready access to appropriate water supply and sanitary facilities. There shall be no less than one hose bibb for each four family camp units, with each family camp unit no more than 300 feet from a hose bibb. Each family camp unit shall be no more than 400 feet from a sanitary building. Each family camp unit shall have one fireplace unit equal in quality to those shown and described on pages 22 and 23 of the report of the Department of Water Resources entitled "Typical Recreation Facilities Under the Davis-Grunsky Act", and dated October 1966, one food locker, and one table-bench combination, with the table surface at least 2 feet 11 inches by 7 feet. Each family camp unit shall have (1) a cleared area of at least 750 square feet, of which at least 270 square feet shall be leveled for tent space; and (2) a parking spur suitable for an automobile and camp trailer, with at least 400 square feet surface treated.

(b) Each of the family picnic units shall be placed so as to give the users thereof ready access to appropriate water supply and sanitary facilities. There shall be no less than one hose bibb for each 10 family picnic units with each family picnic unit no more than 300 feet from a hose bibb. Each family picnic unit shall be no

more than 500 feet from a sanitary building. There shall be one table-bench combination, with the table surface at least 2 feet 11 inches by 7 feet for each picnic unit, and one fireplace unit or barbeque stove of the quality described in (a) above, for each two family picnic units. Surface-treated parking areas shall be provided to park at least one automobile per picnic unit no more than 400 feet from the picnic unit.

(c) Sanitary buildings are designated in Articles 15 and 16 hereof and on Plates 2 through 6 by a building number corresponding to the building numbers in the table below. Each sanitary building shall have the fixtures and facilities specified in said table, together with appropriate equipment appurtenant thereto. Buildings numbered 1 through 24 shall be connected to a sewage collection and disposal system. Buildings numbered 25 through 28 shall be connected to an adequate septic tank and leach field. A parking area sufficient to accommodate five automobiles shall be provided immediately adjacent to buildings numbered 1, 2, 6, 7, 11, 12, 13, 14, 15, 16, 17, 22 and 23. The sanitary buildings shall be of three general types: Type 1 for campground areas; Type 2 for day use areas; and Type 3 for areas which require only minimum facilities.

TABLE OF SANITARY BUILDINGS AND FIXTURES

Building Number	Type	Toilet Fixtures		Lavatories	Showers	Laundry	Other Fixtures
		Male	Female				
		Flush	Flush	Male	Female	Trays	
<b>MCSWAIN RESERVOIR RECREATION AREA</b>							
1	1	3	3	3	2	2	
2	1	3	3	3	2	2	
3	3	1	1	1	-	-	Fish cleaning station
4	3	1	1	1	-	-	
5	2 Mod.	2	2	2	2 outdoor	-	2 dressing areas
<b>MCCLURE POINT RECREATION AREA</b>							
6	1	3	3	3	2	2	
7	1 Mod.	2	2	2	2	2	
8	2	2	2	2	-	-	Fish cleaning station
9	2 Mod.	2	2	2	2 outdoor	-	2 dressing areas
10	3	1	1	1	-	-	
<b>BARRETT COVE RECREATION AREA</b>							
11	1	4	3	3	2	2	
12	1	3	3	3	2	2	
13	1	3	3	3	2	2	
14	1 Mod.	2	2	2	1	1	
15	1 Mod.	2	2	2	1	1	
16	1 Mod.	2	2	2	1	1	
17	1 Mod.	2	2	2	2	2	
18	2	2	2	2	2	2	
19	2 Mod.	3	3	3	2 outdoor	-	Fish cleaning station
20	3	1	1	1	-	-	2 dressing areas
21	3	1	1	1	-	-	Fish cleaning station

TABLE OF SANITARY BUILDINGS AND FIXTURES - Cont'd.

Building Number	Type	Toilet Fixtures		Lavatories	Showers	Laundry Trays	Other Fixtures or Facilities
		Male	Female				
22	1	3	5	3	2	2	
23	1	3	5	3	2	2	
24	2 Mod.	2	4	2	2 outdoor	-	Fish cleaning station and 2 dressing areas
HORSESHOE BEND RECREATION AREA							
MERCED RIVER FISHING ACCESS SITES							
25	3 Mod.	1	2	1	-	-	All with fish cleaning facilities
26	3 Mod.	1	2	1	-	-	
27	3 Mod.	1	2	1	-	-	
28	3 Mod.	1	2	1	-	-	



(d) Boat ramps shall have a compacted rock aggregate base at least 6 inches thick, and a launching surface of roughened reinforced concrete at least 6 inches thick. The slope of the boat ramps shall be not less than 7 percent or more than 15 percent. Each lane of the boat ramp shall be at least 12 feet wide. A turnaround shall be provided at least every 150 feet along each boat ramp. Each turnaround shall have a turning radius of at least 35 feet and shall be constructed of compacted rock aggregate at least 6 inches thick and asphalt concrete surfacing at least 2 inches thick. Upon approval of the State, the boat ramp elevations set forth in Article 15 may be changed to meet the actual topography encountered at the site.

(e) Swimming beaches shall be free of vegetation, debris, or other hazards, and shall have a layer of sand or pea-size or smaller decomposed granite, at least 6 inches thick.

(f) Roads and parking areas shall be constructed in accordance with the following criteria:

(i) Access roads must meet or exceed the minimum road standards of Mariposa County, considering the type and level of expected usage.

(ii) The minimum width of surfacing for single-lane circulation roads shall be 10 feet and for double-lane circulation roads and access roads shall be 20 feet. Each road shall have rock aggregate shoulders not less than 2 feet wide and 6 inches thick.

(iii) Circulation roads and access roads shall be constructed of asphalt concrete at least 1-1/2 inches thick placed on compacted rock aggregate base at least 6 inches thick.

(iv) Parking areas shall be appropriately graded and constructed of rock aggregate base at least 6 inches thick with an asphalt seal coat.

(v) Perimeter barriers, which shall be no more than 20 inches above ground level, shall be installed, where appropriate, along circulation roads and parking areas to prevent driving and parking off roadway.

(vi) Road gradient shall not exceed 8 percent, except where specifically approved by the State, in cases where the topography makes a steeper gradient necessary.

(vii) Circulation roads and access roads shall have a minimum curvature radius of 50 feet.

(viii) Culverts, not less than 12 inches in diameter, shall be installed where roads intercept natural drainage channels.

18. TIMING, MANNER, AND STANDARDS OF CONSTRUCTION OF ONSHORE RECREATION FACILITIES AND FISHING ACCESS SITES

(a) Onshore Recreation Facilities Completion Dates

The Agency shall cause the construction of the onshore recreation facilities to be completed, and said facilities to be made available for public use, not later than the following dates, provided, that said dates for completion may be extended upon written approval of the State:

	<u>McSwain Reservoir</u>	<u>New Exchequer Reservoir</u>
First stage	October 31, 1968	January 31, 1970
Second stage	March 15, 1978	April 15, 1978
Third stage	March 15, 1988	April 15, 1988

(b) Fishing Access Sites Completion Date

The Agency shall cause the construction of the fishing access site facilities to be completed, and said facilities to be made available for public use, not later than March 15, 1969; provided, that said date for completion may be extended upon written approval by the State.

(c) Construction Pursuant to Plans and Specifications

The onshore recreation facilities shall be constructed in accordance with detailed plans and specifications that shall be submitted to, and that are approved in writing by, the State, or with any revisions thereof approved by the State.

(d) Basic Construction Standards Guide

The onshore recreation facilities and fishing access site facilities shall be designed and constructed to standards that shall be adequate to protect the health, safety, and welfare of the public as determined by the State in consideration of the type and amount of proposed recreational use of said facilities.

(e) Determination of Completion of Construction

For the purposes of this contract, construction of the fishing access site facilities or a stage of the onshore recreation facilities shall be considered to be completed or terminated when so determined by the State, and the State shall give the Agency prompt written notice of such determination. The State shall within 45 days from receipt of a written statement from the Agency that, in the opinion of the Agency, the construction of the fishing access site facilities or a stage of the onshore recreation facilities is completed, notify the Agency of its determination that such construction is, or is not, completed.

19. OPERATION FOR RECREATION PURPOSES

(a) Minimum Pool of Reservoirs

The Agency shall cause New Exchequer Dam and Reservoir to be operated for recreational purposes in such a manner that during each year of the term of this contract there will be maintained a maximum water surface elevation with the least amount of fluctuation consistent with the operation of the dam and reservoir for power, irrigation, and flood control. The Agency will use its best efforts to keep the water surface elevation during the period May 1 to September 1 of each year above elevation 800 feet, in accordance with reservoir operation criteria stated in the project feasibility report.

The Agency shall cause McSwain Dam and Reservoir to be operated for recreational purposes in such a manner that at no time during any year of the term of this contract will storage be drawn below elevation 388 feet, except for necessary repairs.

(b) Availability to Public

The Agency shall cause the reservoirs, the onshore recreation facilities, the recreation areas, and the fishing access sites to be available to the general public for recreational use, upon terms satisfactory to the State, during the following periods of each year of the term of this contract, weather conditions permitting, without regard to race, color, or creed:

(1) January 1 through December 31: All parts of recreation areas not subject to paragraphs (2), (3) and (4) below; provided, that Agency shall cause to be available January 1 through December 31 such areas and facilities subject to paragraphs (2), (3) and (4) as the State may require in order that recreationists may be adequately served.

(2) March 15 through October 30: Merced River fishing access sites; picnic grounds, campgrounds for day use only, swimming areas, swimming beaches and boat ramps at McSwain Dam and Reservoir.

(3) April 15 through October 15: Picnic grounds, campgrounds for day use only, swimming areas, swimming beaches and boat ramps at New Exchequer Dam and Reservoir; campgrounds for overnight use at McSwain Dam and Reservoir.

(4) May 1 through September 30: Campgrounds for overnight use at New Exchequer Dam and Reservoir.

(c) Compliance with Public Health and Safety Laws

The Agency shall cause the dams and reservoirs, the onshore recreation facilities, the fishing access sites, and the recreation areas to be operated in compliance with all laws, regulations, orders, and other lawful directives of the State of California and of local agencies pertaining to public health and safety that may from time to time be applicable to such operations.

(d) Fees for Recreational Use

Fees for recreational use of the reservoirs, and for use of the onshore recreation facilities, the fishing access sites, and recreation areas shall not exceed those set forth in the following schedule and the same fee shall be charged to all members of the general public for such use:

FEE SCHEDULE

Overnight Use

(Includes use of all facilities except those necessary for boat parking and launching.)

\$3.00 per automotive vehicle with or without trailer, plus \$0.25 for all persons in excess of eight, per day. Groups entering other than by automotive vehicle, \$3.00 plus \$0.25 for all persons in excess of eight, per day.

Day Use

(Includes use of all facilities except those necessary for boat parking and launching and overnight use.)

\$1.00 per automotive vehicle plus \$0.25 for all persons in excess of eight, per day. Persons entering other than by automotive vehicle, \$0.25 per person per day.

Boat Parking and Launching

\$1.00 per boat per day in addition to the above fees.

With the written approval of the State, the above fee schedule may be revised to reflect fees being currently charged in the general area for similar services, to reflect reasonable operation and maintenances expenses of the Agency, and to allow for compensation for any additional services that may be provided in connection with the onshore recreation facilities or fishing access sites; provided, that the above fee schedule may be revised without approval of the State in relation to fees charged for use of the onshore recreation facilities or fishing access sites that are operated by the United States Bureau of Land Management or the United States Forest Service, and which fees are established and charged pursuant to the laws and regulations applicable to such agencies of the United States.

(e) Maintenance

The Agency shall cause the dam and reservoir, the onshore recreation facilities, the fishing access sites, and recreation areas to be maintained at all times in a safe, clean, sanitary, wholesome, and attractive condition and shall to that end, among other things, provide or cause to be provided, to the extent legally possible, reasonably adequate:

(i) Law enforcement in the recreation areas.

(ii) Servicing of the sanitary facilities and the recreation areas, including garbage collection.

(iii) General supervision of the dams and reservoirs, the onshore recreation facilities, the fishing access sites, and recreation areas and of the recreational activities therein and thereon.

20. REPORTS ON RECREATIONAL OPERATION

In 1968 and in each year thereafter the Agency shall furnish or cause to be furnished to the State, on or before April 1, a written report on the recreational operation during the preceding year of the dams, reservoirs, completed onshore recreation facilities, recreation areas, and fishing access sites, which report shall include the following:

(i) An analysis of the adequacy of the existing onshore recreation facilities and fishing access sites to meet the recreational demand.

(ii) A statement of the total recreational use of the reservoirs, onshore recreation facilities, recreation areas, and fishing access sites, a calculation of use by recreation facilities

and recreation area, and a calculation of use by recreational activity and by area of residence of the user.

(iii) A statement of expenditures made for the operation and maintenance of the dams and reservoirs for recreation and for the operation and maintenance of the onshore recreation facilities, recreation areas, and fishing access sites, and a statement of the revenues collected from their operation.

#### D. FISH ENHANCEMENT PLAN

##### 21. DEFINITION

When used in this Part D the term "Merced River spawning area" shall mean the reach of the Merced River from the Crocker-Huffman Diversion Dam to the Santa Fe Railroad Bridge at Cressey.

##### 22. FISH ENHANCEMENT FACILITIES

The Agency shall cause the following fish enhancement facilities to be constructed:

###### (a) Artificial Spawning Channel and Holding Pond

An artificial spawning channel with a length of at least 3600 feet, bottom width of at least 63 feet, and having side slopes of two feet horizontal to each one foot vertical shall be constructed. The artificial spawning channel shall have a downstream slope of between 0.0008 and 0.0012, with the exact slope chosen so as to provide a water depth between one and one-half feet and two feet and water velocity of two feet per second. The channel shall be located adjacent to Crocker-Huffman Diversion Dam on the south bank of the Merced River, with the channel inlet upstream from such diversion dam, the headworks of the channel in the south levee of such diversion dam, and the channel outlet downstream from such diversion dam. The purpose of the channel shall be to increase



the salmon capacity of the Merced River by providing increased spawning gravels and the design and construction of the channel shall be performed so as to best achieve this purpose.

A holding pond 200 feet in length with a bottom width of 15 feet shall be constructed adjacent to the artificial spawning channel. The purpose of the holding pond shall be to provide for the rearing of yearling salmon and the design and construction of the pond shall be performed so as to best achieve this purpose.

The location and general layout of the artificial spawning channel and the holding pond shall be as shown on Plate 7.

(b) Diversion Structures and Fish Screening Devices

At the following points of diversion in the Merced River spawning area the Agency shall cause diversion structures to be modified so as to allow free passage of salmon through such structures both upstream and downstream and to permit proper installation and operation of fish screening devices:

(1) At diversion point near Merced County Snelling area dump in the NE $\frac{1}{4}$  Sec. 11, T5S, R14E, MDB&M.

(2) At diversion point one-fourth mile upstream from Henderson Park in the NE $\frac{1}{4}$  Sec. 10, T5S, R14E, MDB&M.

(3) At diversion point near the town of Snelling in the NE $\frac{1}{4}$  Sec. 9, T5S, R14E, MDB&M.

(4) At diversion point near G Street Bridge in the NE $\frac{1}{4}$  Sec. 17, T5S, R14E, MDB&M.

(5) At Cowell ditch diversion point in the SW $\frac{1}{4}$  Sec. 17, T5S, R14E, MDB&M.

(6) At diversion point from the South Channel, in the NW $\frac{1}{4}$  Sec. 32, T5S, R13E, MDB&M.

Fish screening devices will be installed by the Agency at each of such diversion structures. Such screens shall be designed and constructed to keep young fish in the mainstream of the river. The type of fish screening devices used and the place and method of installation of such devices shall be approved by the State Department of Fish and Game before installation.

(c) River Channel Modification

The Agency shall modify the Merced River spawning area as necessary to assure free passage of salmon to and from the Merced River spawning area and to provide maximum availability of the spawning gravels in the Merced River spawning area at the Merced River flows to be provided pursuant to Article 24. Such modification shall include, but not be limited to, the construction of an adult fish barrier in the mouth of the South Channel (SE $\frac{1}{4}$  Sec. 30, T5S, R13E, MDB&M) and in all other dead-end channels in the Merced River spawning area to prevent salmon from migrating upstream in such dead-end channels, the lowering of the North Channel (SW $\frac{1}{4}$  Sec. 28, T5S R13E, MDB&M) to ensure that major flows will follow the river channel rather than the bypass, and the reworking of channel gravels as reasonably may be recommended by the State Department of Fish and Game to improve spawning potential.

23. TIMING, MANNER, AND STANDARDS OF CONSTRUCTION OF FISH ENHANCEMENT FACILITIES

(a) Fish Enhancement Facilities Completion Date

The Agency shall cause the construction of the fish enhancement facilities to be completed and available for the purposes for which they are intended not later than March 15, 1969, provided, that said date for completion may be extended upon written approval of the State.

(b) Construction Pursuant to Plans and Specifications;  
Construction Under Supervision of Fish and Game

The fish enhancement facilities shall be constructed in accordance with detailed plans and specifications that shall be submitted to, and that are approved in writing by, the State, or with any revisions thereof approved by the State. Construction of the fish enhancement facilities shall be performed under the general supervision of the State Department of Fish and Game.

(c) Basic Construction Standards Guide

The fish enhancement facilities shall be designed and constructed to standards that shall be determined adequate by the State to enhance the fish production of the Merced River and to protect the health, safety, and welfare of the public.

(d) Determination of Completion of Construction

For the purposes of this contract, construction of the fish enhancement facilities shall be considered to be completed or terminated when so determined by the State, and the State shall give the Agency prompt written notice of such determination. The State shall within 45 days from receipt of a written statement from the Agency that, in the opinion of the Agency, the construction of the fish enhancement facilities is completed, notify the Agency of its determination that such construction is, or is not, completed.

24. PROJECT OPERATION AND MAINTENANCE FOR FISH ENHANCEMENT

(a) Maintenance of Optimum Flows in Merced River Spawning Area

The Agency shall maintain a continuous flow of between 180 and 220 cubic feet per second in the Merced River spawning area each year during the period November 1 to April 1, provided, that the Agency shall not be required to maintain such flow during

emergency occurrences, such as a flood condition or mechanical or other operational failure, beyond the control of the Agency; or when to do so would prevent it from fulfilling its obligations under its contract with the Pacific Gas and Electric Company dated June 25, 1964, together with amendments to such contract to the date of this contract, or its obligations under its contract with the United States Department of the Army, Corps of Engineers, providing for flood control on the Merced River, with amendments to such contract to the date of this contract. The Agency shall maintain such flows by making appropriate releases from New Exchequer Dam and McSwain Dam, and a combination of releases from Crocker-Huffman Diversion Dam and the artificial spawning channel, and by diverting excess flows through the Agency's irrigation system at Crocker-Huffman Diversion Dam, to the extent such diversion is physically possible. During the initial five years of project operation, a cooperative study by the Agency and the State Department of Fish and Game will be made to determine the most efficient continuous flow required to maintain the salmon fishery during the period of November 1 to April 1. After such study is completed the continuous flow requirements of this subdivision may be increased or decreased to such continuous flow which is determined to be the most efficient; provided, that such increase or decrease is mutually agreed upon by the Agency and the State Department of Fish and Game. The Agency shall make releases from New Exchequer Dam and McSwain Dam so that insofar as is possible in consideration of project operation for power, irrigation and flood control, water temperatures satisfactory for salmon reproduction in the Merced River spawning area will be provided.

(b) Flushing Flows to Facilitate the Downstream Migration of Young Fish

During the initial five years of project operation, a cooperative study by the Agency and the Department of Fish and Game will determine the most efficient flow regime during February, March and April to assist the young salmon on their migration to the ocean. Once established by this study, this flow regime will be continued annually by the Agency.

(c) Production of Yearling Salmon

The Agency shall cause to be reared and planted in the Merced River 100,000 yearling salmon annually for the initial nine years following completion of the fish enhancement facilities. The Agency shall take eggs for such program from the Stanislaus River until sufficient eggs become available from the Merced River. The rearing of salmon may be done at a State installation at the Agency's expense.

(d) Minimum Storage New Exchequer Reservoir

The Agency shall maintain the water surface elevation in New Exchequer Reservoir as high as is possible, consistent with other project operational demands, throughout the period April through October of each year, and shall maintain at all times a minimum pool of 115,000 acre-feet in such reservoir for maintenance of fishlife.

(e) Achievement of Fish Enhancement Benefits

In operating and maintaining the project for fish enhancement, the Agency shall refrain from intentionally or negligently doing any act, or failing to do any act, which would impair the achievement of the fish enhancement benefits described in the project feasibility report and the supplements thereto.

(f) Availability of the Merced River Spawning Area

The Agency shall cause the Merced River spawning area to be continuously available for fish enhancement throughout the term of this contract in a condition substantially the same as on the date of completion of the fish enhancement work described in Article 22; provided, that the Agency may, with the approval of the State, provide equivalent spawning gravels in lieu of areas of the Merced River spawning area which are destroyed by natural causes or the acts of others. In the event a dam is constructed by any entity other than the State of California or the United States below Crocker-Huffman Diversion Dam and such dam prevents the free passage of salmon upstream or downstream, the Agency shall pay to the State a sum of money computed in accordance with the formula set forth in subdivision (b) of Article 11.

The Agency shall oppose any proposal to change the zoning regulations of the County of Merced so as to allow gravel mining in the Merced River spawning area. The Agency shall promptly notify the State of any such proposal or any attempted gravel mining in the Merced River spawning area.

(g) Maintenance, Operation and Replacement of Fish Enhancement Facilities

The Agency shall cause the fish enhancement facilities constructed pursuant to subdivisions (a) and (b) of Article 22 to be maintained, operated and replaced so that at all times during the term of this contract such facilities shall be in good operable condition.

(h) Compliance with Law

The Agency shall cause the project to be operated and maintained for fish enhancement in compliance with all laws, regulations, orders, and other lawful directives of the State of California and of local agencies that are from time to time applicable to such operation and maintenance.

25. REPORTS ON PROJECT OPERATION FOR FISH ENHANCEMENT

In the year following the year in which construction of the fish enhancement facilities is completed, and in each year thereafter, the Agency shall furnish or cause to be furnished to the State, on or before the fifteenth day of each month, a written report on the operation of the project for fish enhancement during the preceding month. Said report shall consist of:

(1) A continuous streamflow hydrograph indicating the flows at Shaffer Bridge (Montpellier Road crossing about five miles upstream from Cressey);

(2) A continuous streamflow hydrograph indicating the quantities of flow in the artificial spawning channel; and

(3) A continuous hydrograph showing the water surface elevation of New Exchequer Reservoir.

#### E. ACCOUNTING PROVISIONS

##### 26. DEPOSITS OF GRANT DISBURSEMENTS IN SPECIAL ACCOUNTS; EXPENDITURE RECORDS

The money disbursed to the Agency pursuant to subdivision (b) of Article 5 hereof to finance construction costs of New Exchequer Dam and Reservoir shall be deposited in a special account entitled "New Exchequer State Dam and Reservoir Grant Account." The money disbursed to the Agency pursuant to subdivision (b) of Article 5 hereof to finance construction costs of McSwain Dam and Reservoir shall be deposited in a special account entitled "McSwain State Dam and Reservoir Grant Account." The money disbursed to the Agency pursuant to subdivision (d) of Article 5 hereof shall be deposited in a special account entitled "State Fish Enhancement Grant Account." The money disbursed to the Agency pursuant to Article 6 hereof shall be deposited in a special account entitled "State Facilities Grant Account." These accounts shall be established by the Agency separate and distinct from all other accounts of the Agency and the Agency shall keep complete and accurate records of the expenditures that are made from said special accounts. These accounts may be part of the Merced River Development Construction Fund, created by the bond resolution.

##### 27. REPORTS ON EXPENDITURES AND PROJECT CONSTRUCTION

###### (a) Annual Reports After Disbursement

On or before the 20th day of the quarter following the quarter in which money is first disbursed pursuant to this contract,



on or before the 20th day of each succeeding quarter thereafter prior to the completion or termination of construction of the project, and on or before the 45th day after the date on which such construction is completed the Agency shall furnish a written report to the State, on a form provided by the State containing:

(1) An account of all previous expenditures of money disbursed to the Agency under this contract which have not been previously reported and of the purposes of such expenditures.

(2) An account of the balance of money disbursed to the Agency by the State under this contract on hand at the time of said report.

(3) A description of the progress of construction of the project.

(b) Reports Prior to Disbursement

Prior to the first disbursement of money pursuant to Article 5 hereof, the State may from time to time request in writing a report on the progress of construction of the project. The Agency shall furnish the requested report to the State on or before the 20th day of the quarter following the quarter in which the written request for the report was received by the Agency.

F. GENERAL PROVISIONS

28. BASIC OPERATION AND MAINTENANCE STANDARDS

The Agency shall cause the dams, reservoirs, onshore recreation facilities, fishing access site facilities, and fish enhancement facilities to be operated for recreational and fish enhancement purposes in an efficient and economical manner; shall provide for the making of all repairs, renewals, and replacements

necessary to the efficient operation of the same; and shall cause the same to be maintained in as good and efficient condition as upon their construction, ordinary and reasonable wear and depreciation excepted.

29. INSPECTIONS OF PROJECT BY STATE

The State shall have the right to inspect the work being performed and the facilities being constructed at any and all times during the construction of the project and to inspect the project and the operation and maintenance thereof at any and all times after completion. The Agency shall notify the State of the final inspection of the project by the Agency pursuant to each construction contract at least ten (10) days prior to the date for the inspection.

30. OTHER CONTRACTS CONCERNING OPERATION

Any and all contracts or agreements which the Agency may enter into with others which relate directly or indirectly to the operation of the project for recreational or fish enhancement purposes or to the operation of the onshore recreation facilities, the fishing access sites, or the fish enhancement facilities shall be subject to this contract and the Agency shall so provide in such contracts or agreements.

31. STATE TO BE HELD HARMLESS FROM PROJECT DAMAGE

The Agency agrees to indemnify the State of California, the State Department of Water Resources, and their officers, agents, and employees against and to hold the same free and harmless from any and all claims, demands, damages, losses, costs, expenses, or liability due or incident to, either in whole or in part and whether

directly or indirectly, the design, construction, operation, repair, maintenance, existence, or failure of the project or of any of the project works or facilities.

#### 32. REMEDIES NOT EXCLUSIVE

The use by either party of any remedy specified herein for the enforcement of this contract is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

#### 33. AMENDMENTS

This contract may be amended at any time by mutual agreement of the parties, except insofar as any proposed amendments are in any way contrary to applicable law.

#### 34. OPINIONS AND DETERMINATION

Where the terms of this contract provide for action to be based upon the opinion, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

#### 35. CONTRACTING OFFICER OF THE STATE

The contracting officer of the State shall be the Director of Water Resources of the State of California and his successors, or their duly authorized representatives. The contracting officer shall be responsible for all discretionary acts, opinions, judgments, approvals, reviews, and determinations required of the State under the terms of this contract.

#### 36. SUCCESSORS AND ASSIGNS OBLIGATED

This contract and all of its provisions shall apply to and bind the successors and assigns of the parties hereto.

37. ASSIGNMENT

No assignment or transfer of this contract or any part hereof, rights hereunder, or interest herein by the Agency shall be valid unless and until it is approved by the State and made subject to such reasonable terms and conditions as the State may impose.

38. WAIVER OF RIGHTS

It is the intention of the parties hereto that from time to time either party may waive certain of its rights under this contract. Any waiver at any time by either party hereto of its rights with respect to a default or any other matter arising in connection with this contract shall not be deemed to be a waiver with respect to any other default or matter.

39. NOTICES

All notices that are required either expressly or by implication to be given by one party to the other under this contract shall be signed for the State by its contracting officer and for the Agency by such officers as it may, from time to time, authorize in writing to so act. All such notices shall be deemed to have been given if delivered personally or if enclosed in a properly addressed postage-prepaid envelope and deposited in a United States Post Office for delivery by registered or certified mail. Unless and until formally notified otherwise, all notices shall be addressed to the parties at their addresses as shown on the signature page of this contract.

40. INSPECTION OF BOOKS, RECORDS, AND REPORTS

During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and make copies of any books, records, or reports of the other party

pertaining to this contract or matters related hereto. Each of the parties hereto shall maintain and make available for such inspection accurate records of all of its costs, disbursements, and receipts with respect to its activities under this contract.

41. CONTRACT NOT TO AFFECT STATE SUPERVISION OF DAMS JURISDICTION

The provisions of this contract shall not affect in any way the powers, duties, and jurisdiction of the State under the provisions in Part 1 of Division 3 of the Water Code, pertaining to supervision of dams.

42. SUIT ON CONTRACT

Each of the parties hereto may sue and be sued with respect to this contract.

43. SIGN REFERRING TO DAVIS-GRUNSKY FINANCING

The Agency shall cause a permanent sign to be installed in each recreation area and fishing access site which shall include the following statement:

"The Recreation and Fish Enhancement Features of This Project Were Financed Under the Davis-Grunsky Act Program Administered by the California Department of Water Resources."

The sign may contain additional statements which recognize the participation of other government agencies in the Agency's Merced River Development Project. The sign shall be installed before the onshore recreation facilities or fishing access sites are made available to the public. The location and makeup of the sign, including the dimensions, materials, and lettering of the above statement, shall be as approved by the State.

44. DIRECTIONAL SIGNS

The Agency shall cause permanent directional signs to be installed so as to provide adequate directions to the public for reaching the project area. The signs shall be installed on major county roads in the area and in as close proximity as possible to freeway exits before the onshore recreation facilities or fishing access sites are made available to the public. The location and makeup of the signs, including the dimensions, material and lettering, shall be as approved by the State.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the date first hereinabove written.

Approved as to legal form  
and sufficiency:

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

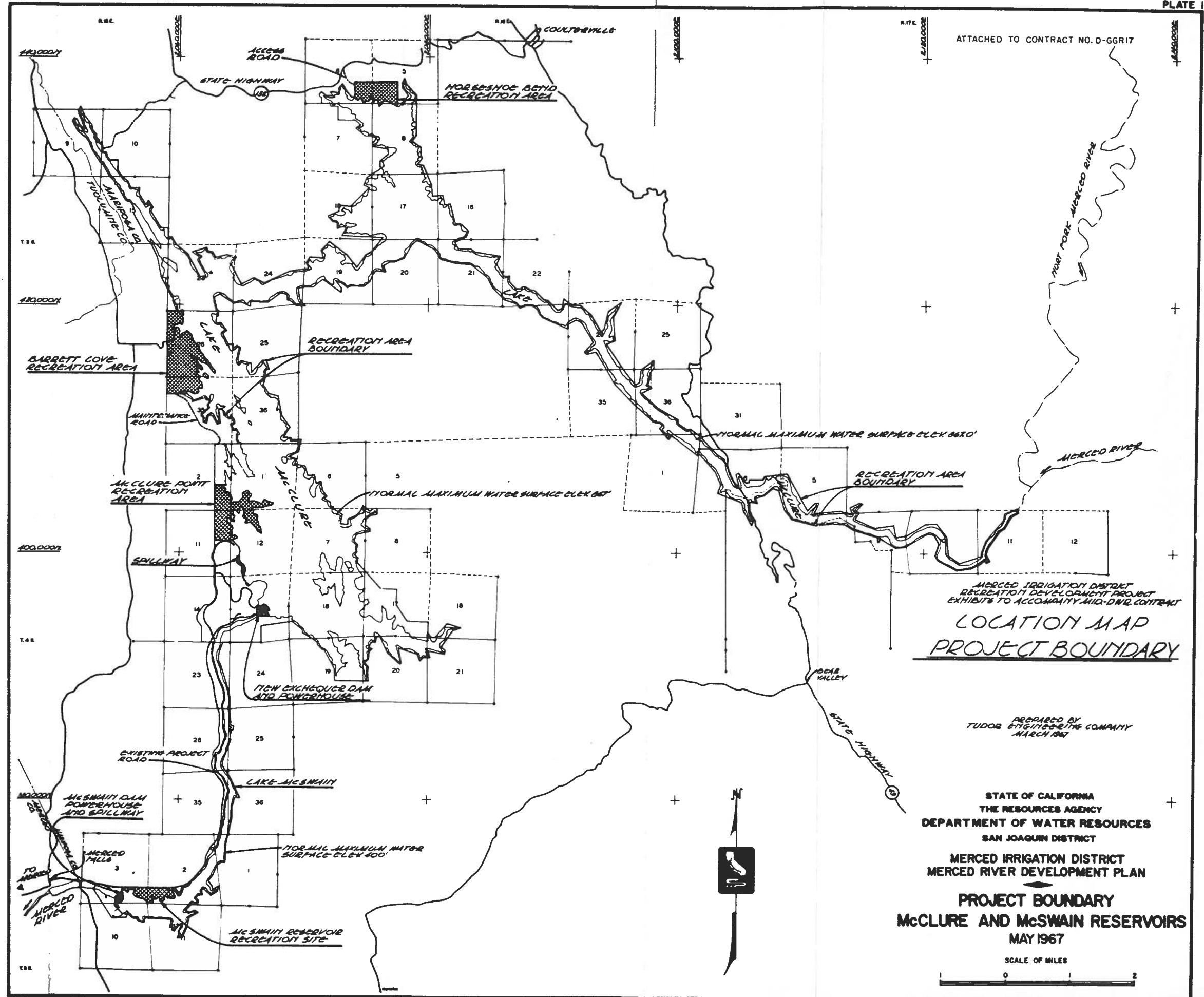
/s/ P. A. Towner  
Chief Counsel  
Department of Water Resources

/s/ W. R. Gianelli  
Director  
P. O. Box 388  
Sacramento, California

MERCED IRRIGATION DISTRICT

/s/ N. G. Sheesley  
Address: P. O. Box 2288  
Merced, California 95340

ATTACHED TO CONTRACT NO. D-GGR17



MERCED IRRIGATION DISTRICT  
 RECREATION DEVELOPMENT PROJECT  
 EXHIBITS TO ACCOMPANY MID-DWR CONTRACT

**LOCATION MAP  
 PROJECT BOUNDARY**

PREPARED BY  
 TUDOR ENGINEERING COMPANY  
 MARCH 1967

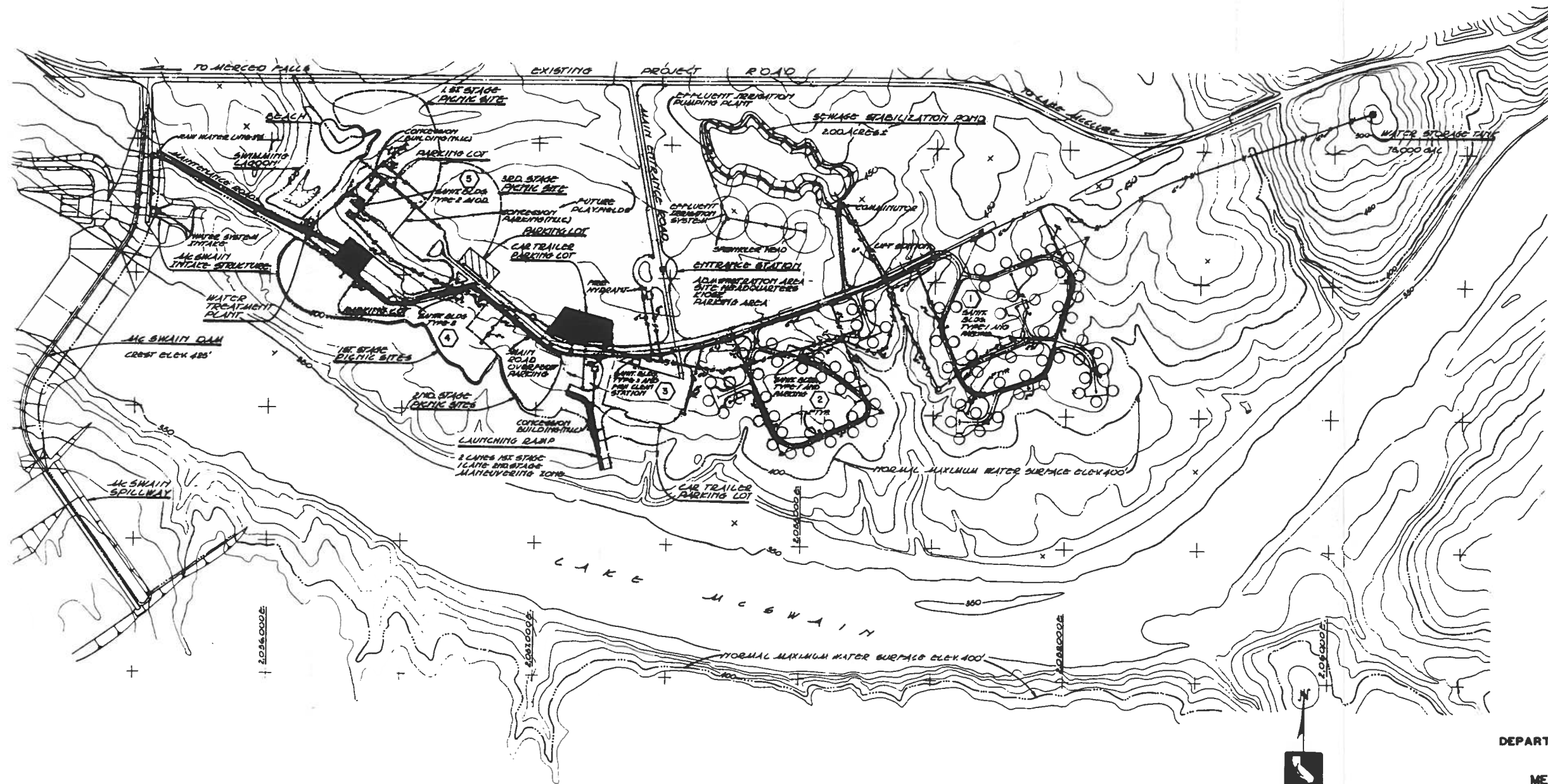
STATE OF CALIFORNIA  
 THE RESOURCES AGENCY  
 DEPARTMENT OF WATER RESOURCES  
 SAN JOAQUIN DISTRICT

MERCED IRRIGATION DISTRICT  
 MERCED RIVER DEVELOPMENT PLAN

**PROJECT BOUNDARY  
 McCLURE AND McSWAIN RESERVOIRS**  
 MAY 1967

SCALE OF MILES  
 0 1 2

ATTACHED TO CONTRACT NO. D-GGR17



MERCED IRRIGATION DISTRICT RECREATION DEVELOPMENT PROJECT EXHIBITS TO ACCOMPANY MID-DWR CONTRACT

**McSWAIN**

PREPARED BY T.L. OOR ENGINEERING COMPANY MARCH 1967

**NOTE:**  
WATER LINES AND SEWER LINE SIZES AND PRIORITIES ARE SUBJECT TO CHANGE DEPENDENT ON DETAILED DESIGN AND TOPOGRAPHY.

- LEGEND**
- 1ST STAGE
  - 2ND STAGE
  - 3RD STAGE
  - CAMP SITES
  - SANITARY GENWAD LINES
  - WATER LINES
  - HOSE BIBS
  - 1140 110711 CONTRACT
  - ① SANIT. BLDG. No. D.W.R.

STATE OF CALIFORNIA  
THE RESOURCES AGENCY  
DEPARTMENT OF WATER RESOURCES  
SAN JOAQUIN DISTRICT

MERCED IRRIGATION DISTRICT  
MERCED RIVER DEVELOPMENT PLAN  
**McSWAIN RESERVOIR RECREATION AREA**  
MAY 1967





ATTACHED TO CONTRACT NO. D-GGR17

MERCED IRRIGATION DISTRICT  
RECREATION DEVELOPMENT PROJECT  
EXHIBITS TO ACCOMPANY AND-DWR CONTRACT  
**McCLURE POINT**

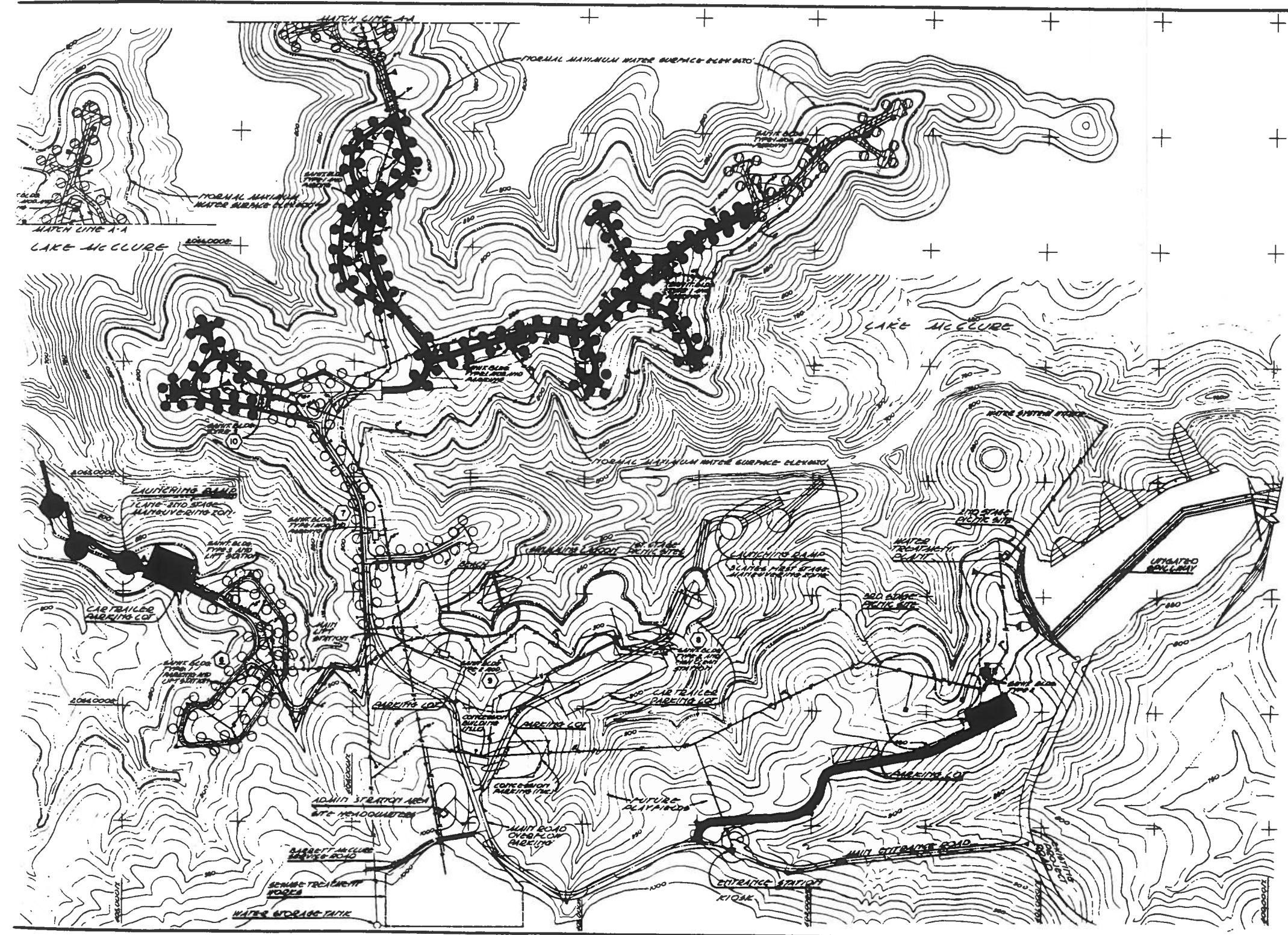
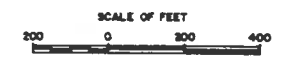
PREPARED BY  
TUDOR ENGINEERING COMPANY  
MARCH 1967

NOTE:  
WATER LINES AND SEWER  
LINE SIZES AND FACILITIES  
ARE SUBJECT TO CHANGE  
DEPENDENT ON DETAILED  
DESIGN AND TOPOGRAPHY

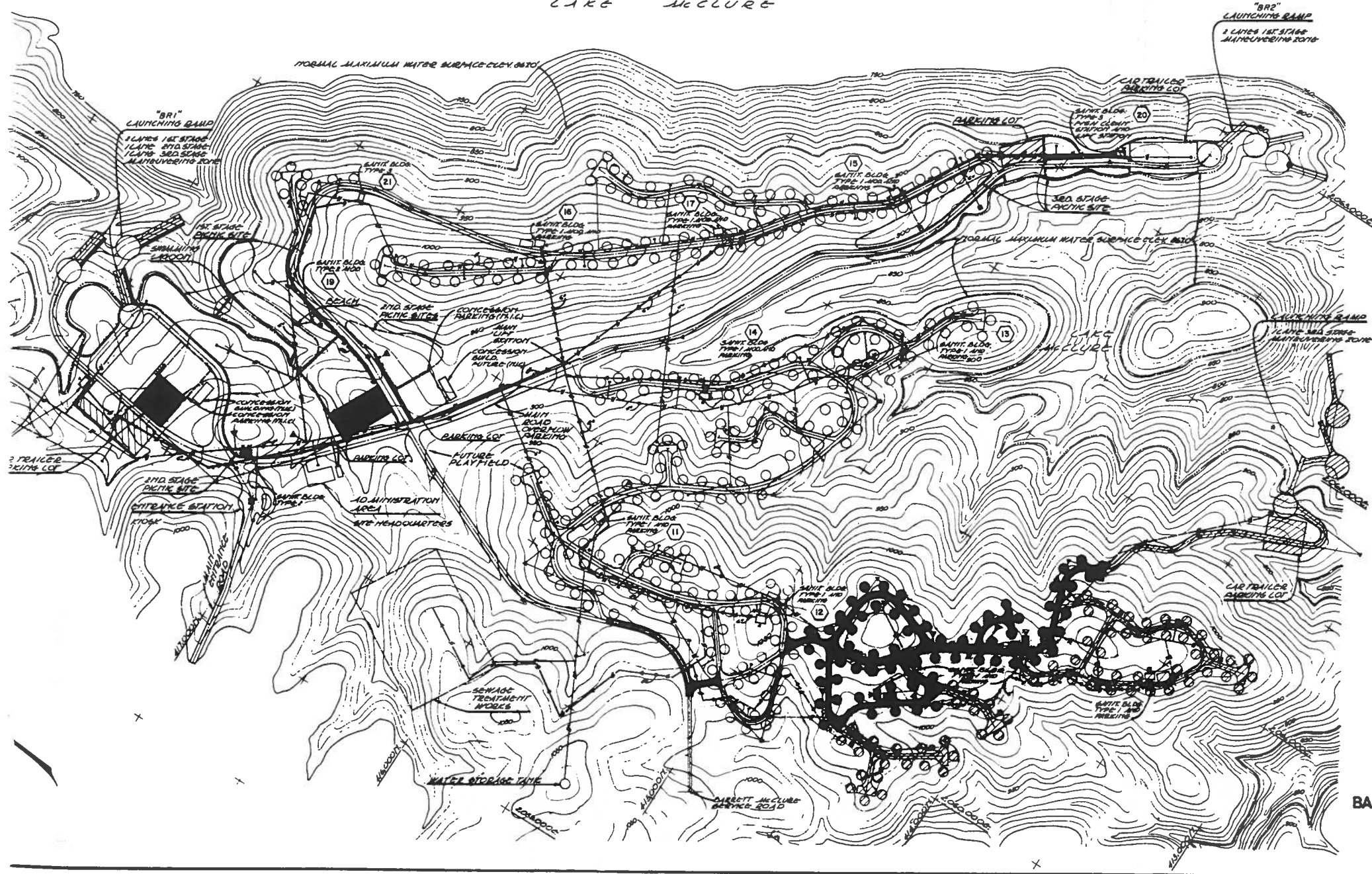
- LEGEND
- 1ST. STAGE
  - 2ND. STAGE
  - 3RD. STAGE
  - CAMP SITE
  - SANITARY SEWER LINES 1ST. STAGE
  - WATER LINES 1ST. STAGE
  - HOSE-BIBS 1ST. STAGE
  - HOSE-BIBS 2ND. STAGE
  - HOSE-BIBS 3RD. STAGE
  - SANITARY SEWER LINES 2ND & 3RD STAGE
  - WATER LINES 2ND & 3RD STAGE
  - NOT IN CONTRACT
  - SANIT. BLDG. NO. DWR



STATE OF CALIFORNIA  
THE RESOURCES AGENCY  
DEPARTMENT OF WATER RESOURCES  
SAN JOAQUIN DISTRICT  
MERCED IRRIGATION DISTRICT  
MERCED RIVER DEVELOPMENT PLAN  
**McCLURE POINT RECREATION AREA**  
MAY 1967



LAKE McCURE



MERCED IRRIGATION DISTRICT  
 RECREATION DEVELOPMENT PROJECT  
 EXHIBIT TO K-C COMPANY AND-DWR CONTRACT  
**BARRETT COVE**

PREPARED BY  
 TUDOR ENGINEERING COMPANY  
 MARCH 1967

NOTE:  
 WATER LINES AND SEWER  
 LINES SIZES AND FACILITIES  
 ARE SUBJECT TO CHANGE  
 DEPENDENT ON DETAILED  
 DESIGN AND TOPOGRAPHY

- LEGEND
- 1ST STAGE
  - 2ND STAGE
  - 3RD STAGE
  - CAMP SITES
  - SANITARY SEWER LINES 1ST STAGE
  - WATER LINES 1ST STAGE
  - HOSE BIBS 1ST STAGE
  - HOSE BIBS 2ND STAGE
  - HOSE BIBS 3RD STAGE
  - SANITARY SEWER LINES 2ND & 3RD STAGE
  - WATER LINES 2ND & 3RD STAGE
  - NOT IN CONTRACT
  - SANIT. BLDG. NO. D.W.R.

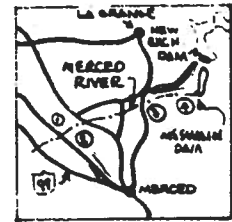
STATE OF CALIFORNIA  
 THE RESOURCES AGENCY  
 DEPARTMENT OF WATER RESOURCES  
 SAN JOAQUIN DISTRICT  
 MERCED IRRIGATION DISTRICT  
 MERCED RIVER DEVELOPMENT PLAN  
**BARRETT COVE RECREATION AREA**  
 MAY 1967



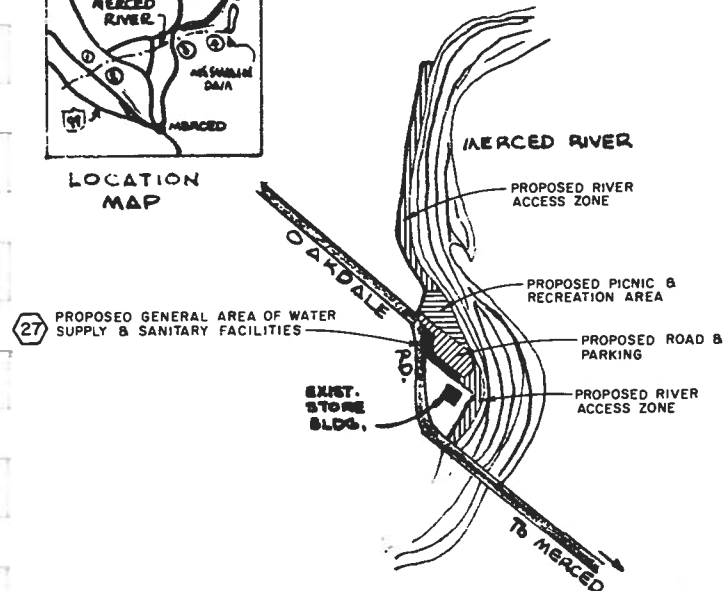




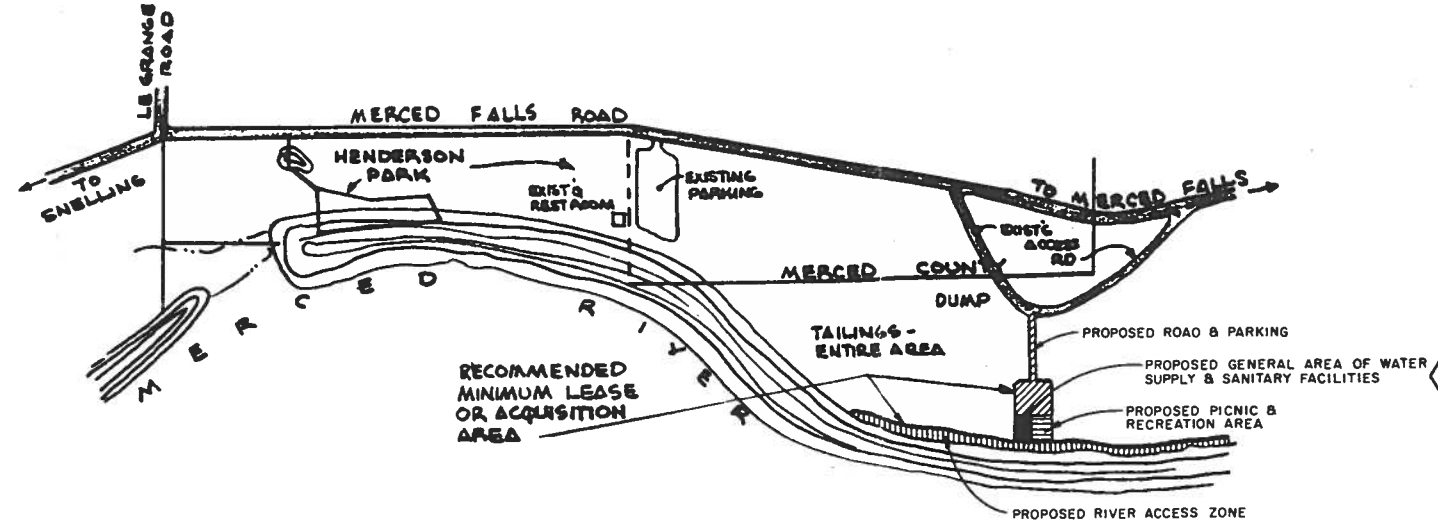
ATTACHED TO CONTRACT NO. D-GGR17



LOCATION MAP

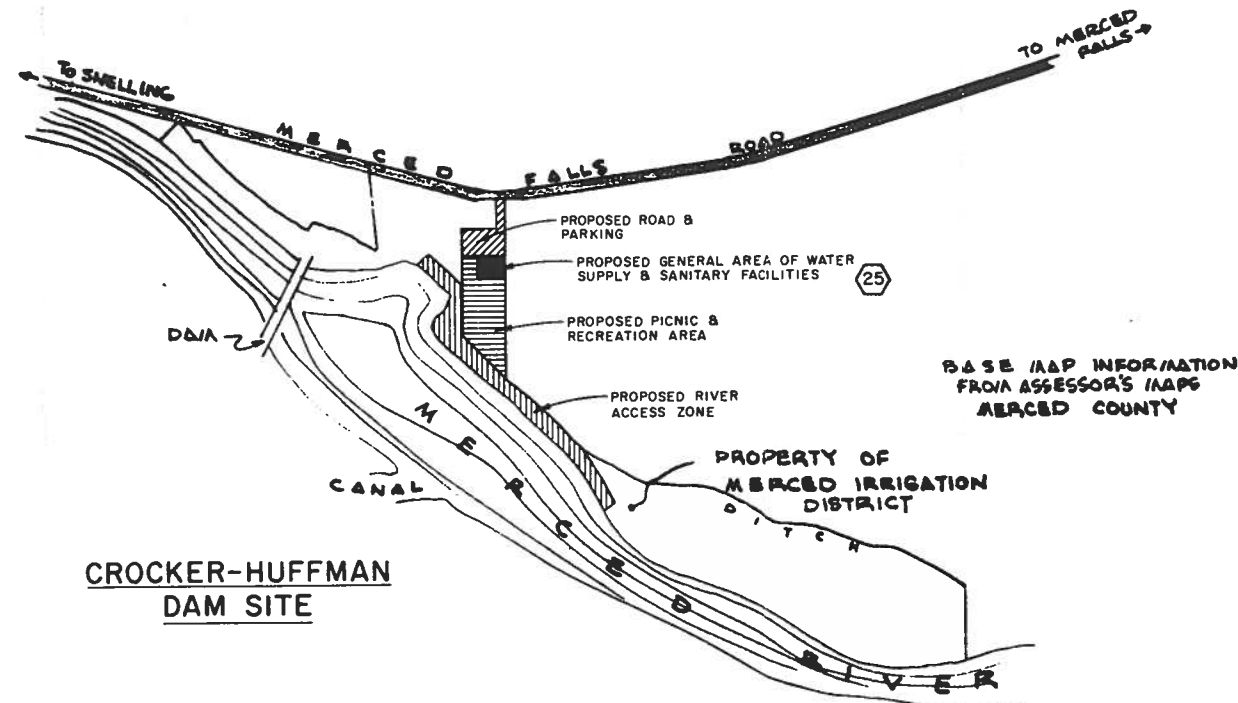


SHAFFER BRIDGE SITE



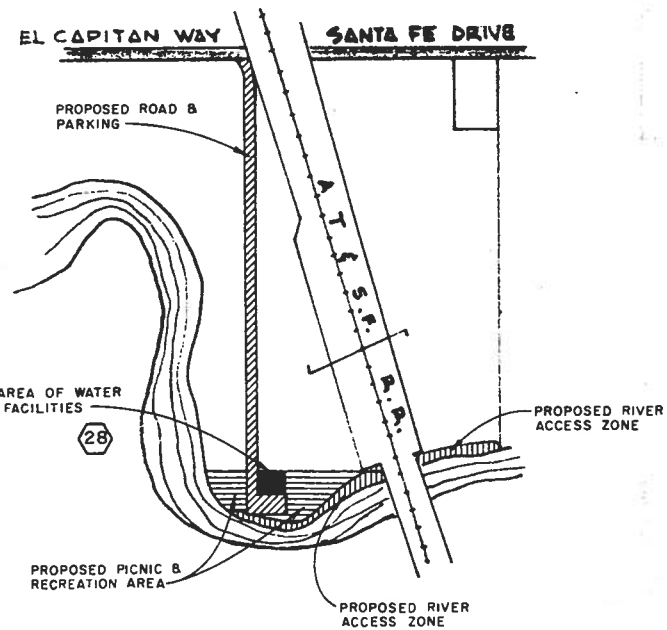
HENDERSON PARK SITE

SOURCE OF PLAN: MERCED IRRIGATION DISTRICT Feasibility Report (December 1965) in Support of Application for Construction and Facilities Grants Under Provisions of the DAVIS-GRUNSKY ACT



CROCKER-HUFFMAN DAM SITE

BASE IAP INFORMATION FROM ASSESSOR'S IAPs MERCED COUNTY



CRESSEY BRIDGE SITE

MERCED RIVER ACCESS SITES SCHEMATIC PLANS

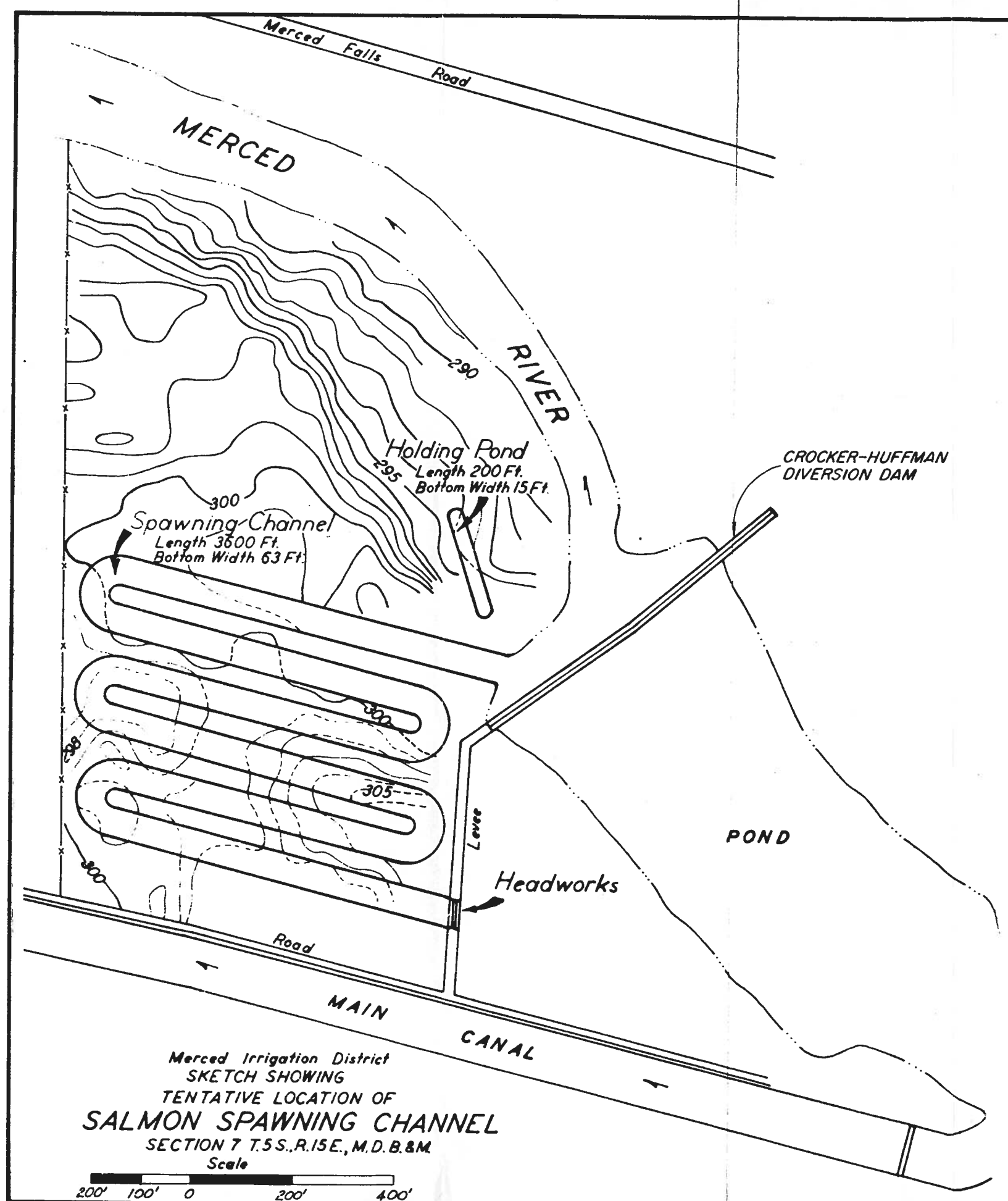
PREPARED FOR: MERCED IRRIGATION DISTRICT - RECREATION FEASIBILITY STUDY BY: WALTER J. McCALLUM - RECREATION PLANNER - FARNUM KERR ASSOCIATES DEC. 1965

STATE OF CALIFORNIA THE RESOURCES AGENCY DEPARTMENT OF WATER RESOURCES SAN JOAQUIN DISTRICT MERCED IRRIGATION DISTRICT MERCED RIVER DEVELOPMENT PLAN

SCHEMATIC PLANS MERCED RIVER ACCESS SITES MAY 1967

NOT TO SCALE

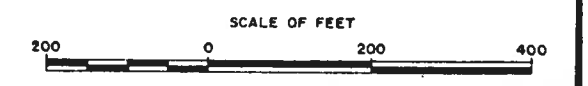
ATTACHED TO CONTRACT NO. D-GGR17

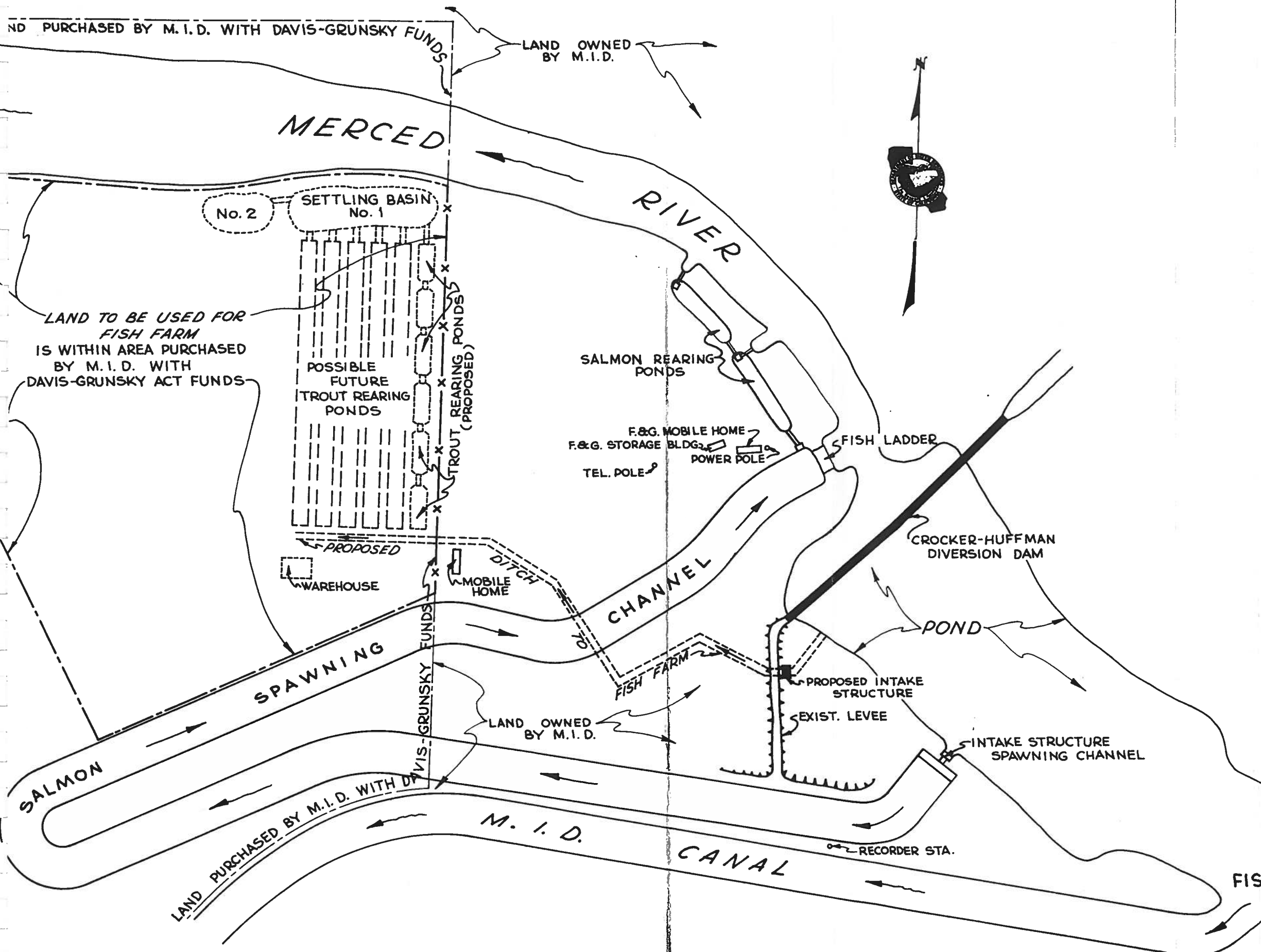


Merced Irrigation District  
 SKETCH SHOWING  
 TENTATIVE LOCATION OF  
**SALMON SPAWNING CHANNEL**  
 SECTION 7 T.5S.,R.15E.,M.D.B.&M.  
 Scale



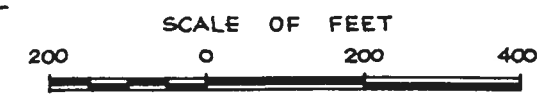
STATE OF CALIFORNIA  
 THE RESOURCES AGENCY,  
 DEPARTMENT OF WATER RESOURCES  
 SAN JOAQUIN DISTRICT  
 MERCED IRRIGATION DISTRICT  
 MERCED RIVER DEVELOPMENT PLAN  
**ARTIFICIAL SPAWNING CHANNEL  
 AND HOLDING POND**  
 MAY 1967





STATE OF CALIFORNIA  
 THE RESOURCES AGENCY  
 DEPARTMENT OF WATER RESOURCES  
 SAN JOAQUIN DISTRICT  
 MERCED IRRIGATION DISTRICT  
 MERCED RIVER DEVELOPMENT PLAN

**ARTIFICIAL SPAWNING CHANNEL  
 AND HOLDING PONDS  
 FISH FARM DITCH AND REARING PONDS  
 AUGUST 1973**



Division of Resources Planning

DRAFT OF

DAVIS-GRUNSKY ACT

(Sections 12880-12891.1, inclusive of  
Chapter 5, Part 6, Division 6,  
Water Code)

SHOWING DELETIONS AND ADDITIONS MADE AT  
1963 REGULAR SESSION OF THE LEGISLATURE

July 29, 1963

CHAPTER 5. STATE FINANCIAL ASSISTANCE  
FOR LOCAL PROJECTS

(Chapter 5 added by Stats. 1957, Ch. 2052.)

12880. In furtherance of the development, control and con-  
servation of the water resources of the State and the State  
Water Resources Development System it is the policy of the  
State to provide financial assistance to public agencies for the  
construction of water projects to meet local requirements in  
which there is a statewide interest by making grants or loans,  
or both, and by participating in the construction and opera-  
tion of water projects, and also to provide financial assistance  
to public agencies for the preparation of certain feasibility  
reports on such water projects by making loans, in accordance  
with this chapter. State  
policy

(a) As used in this chapter, "project" means any construc-  
tion or improvement by a public agency for the diversion,  
storage, or distribution of water primarily for domestic,  
municipal, agricultural, industrial, recreation, fish and wild-  
life enhancement, flood control, or power production purposes. "Project"

"Public agency" means any city, county, district or other  
political subdivision of the State. "Feasibility report" means  
such report on the feasibility of a public agency's proposed  
project as the department may require the public agency to file  
with the department in support of an application by the public  
agency under this chapter for a loan for the construction of the  
proposed project. "Public  
agency  
"Feasibility  
report"

(b) The proposed project may be approved for assistance Approval  
only if it is determined that the project substantially conforms  
to The California Water Plan, is engineeringly feasible, econom-  
ically justified, and, if a loan is proposed, that there is  
reasonable assurance, commensurate with the need for the proposed  
project, that the public agency can repay it. The potential  
future growth and development of the area shall be taken into  
consideration in the calculation of the benefits for the deter-  
mination of the economic justification of a proposed project.  
In the case of a grant for recreation or fish and wildlife  
enhancement, or both, the determination of economic justifica-  
tion of the proposed project may, in the department's discre-  
tion, be limited to a determination of the economic justifica-  
tion of the recreation and fish and wildlife enhancement  
functions of the project. Such factors as the public health,  
safety, and welfare shall be taken into consideration in deter-  
mining the need for a proposed project. A loan for the prepara-  
tion of a proposed feasibility report on a proposed project may  
be approved only if it is determined that there is reasonable  
assurance that the public agency can repay the loan and only if  
the agency receives a favorable written reply from the depart-  
ment on a written request for a preliminary determination of  
eligibility for a loan for the construction of the proposed



project filed with the department by the agency under the regulations of the department promulgated pursuant to this chapter.

Grants

(c) Grants in furtherance of a project that involves the development of a new water supply may be made for the following purposes:

(1) For the part of the construction cost of the proposed project properly allocated to the enhancement of fish and wildlife; ~~incidental to the primary functions of the project~~ provided, that a grant for such part shall not exceed fifty percent (50%) of the construction cost.

(2) For the part of the construction cost of the any dam and reservoir of the proposed project properly allocated to recreational functions of statewide interest that are incidental to the primary functions of the project; provided, that a grant for such part shall not exceed fifty percent (50%) of the construction cost, and provided further, that the total grant under paragraphs (1) and (2) of this subdivision for any one project shall not exceed seventy-five percent (75%) of the construction cost of the project. Such construction costs may include expenditures for lands located above the high waterline of reservoirs which are necessary or desirable for public recreation in connection with the reservoir.

(3) For the construction of initial water supply and sanitary facilities which are needed for public recreational use of each proposed dam and reservoir of the proposed project. A grant for the purpose specified in this paragraph (3) shall not be subject to the limitation contained in Section 12885 on grants for the purposes specified in paragraphs (1) and (2) of this subdivision and shall not be included in computing the total amount which may be granted to a public agency in connection with a project for such purposes. A grant for the purpose specified in this paragraph (3) shall not exceed one-fourth of the total amount granted to a public agency in connection with a project for the purposes specified in paragraphs (1) or (2), or both, of this subdivision.

Loans

(d) Loans may be made only for projects primarily for domestic, municipal, agricultural, ~~or~~ industrial, recreation, or fish and wildlife enhancement purposes. Such loans may be made for all or any part of the construction cost of any such project but in no event shall any such loan be in an amount which is greater than the portion of the construction cost of the project which the department finds to be beyond the reasonable ability of the public agency to finance from other sources. Such loans shall be repayable over a period not to exceed 50 years. A period of development of not exceeding 10 years may be allowed within such maximum 50-year repayment period, during which no payments on the principal of or the interest on such loans shall be required, when in the department's judgment such development period is justified under the circumstances. If the payment of interest is deferred pursuant to this subdivision, interest shall be charged on the interest amounts for which payment is deferred at the same rate as the rate of interest charged on the principal amount of the particular loan. The

accrued interest may, at the option of the public agency, be paid in annual installments during the remainder of the loan repayment period at the same rate of interest as is charged on the principal amount of the loan.

(e) Loans may be made for all or any part of the cost of the preparation of proposed feasibility reports on proposed projects, but in no event shall any such loan be in an amount which is greater than the portion of the cost of the preparation of the proposed feasibility report which the department finds to be beyond the reasonable ability of the public agency to finance from other sources. Such loans shall be repayable over a period not to exceed 10 years.

Same:  
Feasibility  
reports

(f) If in order to accomplish the objectives of this chapter it is necessary to construct a project that is beyond the requirements of the public agency constructing the project, larger than one which a public agency proposes to construct, the State may participate in planning, designing, constructing, operating and maintaining the project, and in financing so participating shall finance those costs of the project in excess of the costs necessary to meet the requirements of the public agency allocated to the State, on terms agreed upon with the agency, to the end that the project shall accomplish the maximum water development objectives at a minimum total expenditure. In participating in a project under this subdivision (f), the department may perform all or part of the planning, designing, construction, operation or maintenance of the project on terms agreed upon with the agency.

State  
participation

The department is authorized, following receipt of an application for state participation from a public agency, to participate under this subdivision (f) on behalf of the State in any project that is larger than the one which the public agency proposes to construct and that is primarily for domestic, municipal, agricultural, industrial, recreational or fish and wildlife enhancement purposes and in so participating shall finance those costs of such project that are allocated to the State, on terms agreed upon with the public agency, subject to the prior approval of the California Water Commission, and to expend for participation in the planning, designing, and construction of any one project an amount not exceeding one million dollars (\$1,000,000) from moneys available for such participation, including but not limited to, the moneys appropriated by the California Water Resources Development Bond Act (Chapter 8 (commencing with Section 12930) of Part 6 of Division 6 of the Water Code) for provision for water development facilities for local areas as provided in this Chapter 5. Expenditures by the department in excess of one million dollars (\$1,000,000) for the planning, designing, and construction of any one project may be made only upon specific authorization of the Legislature.

The department is authorized to make loans and grants to public agencies pursuant to the provisions of this chapter for projects in which the department participates under this subdivision (f).

Applications  
for loans or  
grants

(g) Applications for loans or grants or financial participation by the State under this chapter shall be made to the department in such form and with such supporting material as may be prescribed by the department. Supporting material with respect to the ability of a public agency to repay the loan and to the reasonable ability to finance the proposed project from other sources may be supplied by the county assessor and the county engineer. A report on each application shall be prepared by the department and filed with the Legislature. In such reports the department shall make findings as to the nature and extent of the statewide interest in the project, the public necessity for the project, the urgency of the need, and the engineering feasibility, economic justification, and financial feasibility of the project; provided, that in the case of reports on applications for loans for the preparation of proposed feasibility reports, in lieu of the above findings, the department shall make findings with respect to the public necessity for and urgency of need of the proposed project and the ability of the applicant to repay the requested loan for the preparation of the proposed feasibility report.

Additional  
powers of  
public  
agencies

(h) Notwithstanding any provision of law to the contrary, every public agency empowered by law to construct and operate a project, as defined in subdivision (a) of this section, is hereby granted, in addition to and not in derogation or limitation of the powers conferred upon the public agency by any other law, the power:

(1) To borrow money from and repay the same with interest to the State in accordance with this chapter on behalf of the entire public agency or of any portion or portions thereof for which the law applicable to the agency authorizes an indebtedness or liability to be incurred, including any improvement district, distribution district, or zone within the public agency, notwithstanding any debt limitation or other provision in the law applicable to such agency which might otherwise preclude or limit such borrowing.

(2) To enter into a contract with the department, on behalf of the entire public agency, or of any portion or portions thereof referred to in paragraph (1) of this subdivision (h), for a loan or grant under this chapter or for participation by the State in a local project under subdivision (f) of this section and to use the loan or grant contracted for as an additional or alternative means of financing the project proposed by the public agency.

(3) To comply with the provisions of any contract entered into with the department under this chapter, including any provision which obligates the public agency, or any specified portion or portions thereof, to meet all commitments, financial or otherwise, undertaken by the public agency in such contract notwithstanding any individual default by its constituents or others in the payment to the public agency of taxes, assessments, tolls, or other charges levied by the public agency.

(4) To include recreation and enhancement of fish and wildlife, or either of them, as functions incidental to the primary functions of a project which the public agency is empowered by law to construct and operate, and to construct and operate the

project for such incidental recreation and enhancement of fish and wildlife functions, or either of them, in accordance with the provisions of a grant contract entered into with the department, including provisions for public use of the project facilities for fishing and other recreational activities.

(5) To construct and operate such onshore recreational facilities, fish and wildlife enhancement facilities or other facilities as the department or the Legislature may require in connection with a grant to the public agency under this chapter, and to construct and operate such facilities in accordance with the provisions of a grant contract entered into with the department, including provisions for public use of such facilities for fishing and other recreational activities.

(6) To annually levy or cause to be levied upon all property in the public agency, or in any portion or portions thereof, subject to taxation or assessment by the public agency an ad valorem tax or assessment, based upon the assessed valuation of such property, necessary and sufficient to meet all commitments, financial or otherwise, of the public agency that are set forth in any contract which the agency enters into with the department under this chapter, in addition to any other taxes or assessments which the public agency is authorized to levy or cause to be levied on such property and notwithstanding any provision in the law applicable to such agency which might otherwise preclude or limit such taxing or assessing. Where the law applicable to such public agency does not set forth a procedure for levying and collecting taxes or assessments on an ad valorem basis, such public agency shall utilize the procedure for levying and collecting taxes for the payment of principal and interest on general obligation bonds of municipal water districts, set forth in the Municipal Water District Act of 1911 (Chapter 671, Statutes of 1911), as it may now or hereafter be amended, for the purpose of levying and collecting taxes or assessments necessary and sufficient to meet commitments in a contract entered into under this chapter.

(7) To make charges for the furnishing of services from the project for which the public agency receives financial assistance under this chapter and to pledge and use any or all revenues received from the collection of such charges for the purpose of meeting the commitments, financial or otherwise, of the public agency that are set forth in any contract which the public agency enters into with the department under this chapter.

(8) To perform all acts and do all things that are necessary or convenient to carry out the above powers.

(i) Except in the case of a grant to a public agency where the applicable law contains provisions for the election of the members of the governing body of the agency or where a county board of supervisors acts as the governing body of the agency, before a public agency may enter into a contract with the department for a construction loan or a grant under this chapter, the public agency shall hold an election on the

Election

proposition of whether or not the public agency shall enter into the proposed contract and more than 50 percent of the votes cast at such election must be in favor of such proposition; provided, that if a higher percentage of favorable votes is required for the issuance of any bonds by the public agency or is required by the Constitution before the public agency may incur an indebtedness, such higher percentage shall apply in lieu of the percentage set forth in this subdivision. Such election shall be held in accordance with the following provisions:

(1) The procedure for holding an election on the incurring of bonded indebtedness by such public agency shall be utilized for an election on the proposed contract as nearly as the same may be applicable. Where the law applicable to such agency does not contain such bond election procedure, the procedure set forth in the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) Part 1, Division 2, Title 5 of the Government Code), as it may now or hereafter be amended, shall be utilized as nearly as the same may be applicable.

(2) No particular form of ballot is required.

(3) The notice of the election shall include a statement of the time and place of the election, the purpose of the election, the general purpose of the contract, and the maximum amount of money to be borrowed from the State under the contract.

(4) The ballots for the election shall contain a brief statement of the general purpose of the contract substantially as stated in the notice of the election, shall state the maximum amount of money to be borrowed from the State under the contract, and shall contain the words "Execution of contract--Yes" and "Execution of contract--No."

(5) The election shall be held in the entire public agency except where the public agency proposes to contract with the department on behalf of a specified portion, or of specified portions, of the public agency, in which case the election shall be held in such portion or portions of the public agency only.

Validation

(j) Every public agency that has obtained authority through an election held pursuant to subdivision (i) of this section is hereby granted the power to bring an action in the superior court of the county in which the office of such agency is situated to determine the validity of the contract any contract made with the department under this chapter and the authority of the public agency to enter into the contract. The action shall be had as in the case of the judicial determination of the validity of the public agency's bonds, as nearly as the same may be applicable, and with like effect. Where the law applicable to such agency does not set forth a procedure for the judicial determination of the validity of the public agency's bonds, the action shall be had as in the case of the judicial determination of the general obligation bonds of irrigation districts under the Irrigation District Law (Division 11 (commencing with Section 20500) of this code), as it may now or hereafter be amended, as nearly as the same may be applicable, and with like effect.

(Added by Stats. 1957, Ch. 2052; amended by Stats. 1959, Ch. 1752, Stats. 1961, Ch. 1723, and by Stats. 1963, Ch. 2023 )

12880.2 In the administration of this chapter, the department and the commission shall give preference to projects involving development of new basic water supplies.

Project preference

In furtherance of this policy, no funds shall be loaned for either irrigation distribution system projects or municipal distribution system projects, except in cases which, in the judgment of the department and the commission, involve extreme hardship which jeopardizes the public health, safety or welfare. Distribution facilities which are a necessary and integral part of an overall water development project may be covered by a state loan.

Loan limitations

Applications for loans for irrigation distribution system projects or municipal distribution system projects which involve extreme hardship which jeopardizes the public health, safety or welfare shall be made in the following manner:

Applications for loans in hardship cases

The governing body of the public agency shall submit an application to the department describing, generally, such extreme hardship existing with respect to the water supply, the financial and economic conditions existing in the area, and the proposed project. The statements by the governing body shall be based upon, and the application shall be accompanied by:

(a) A report by the assessor of the local agency with respect to assessed valuations and tax delinquencies.

(b) A report by the engineer of the local agency (or if it has none, by the county surveyor or road commissioner) describing the project and estimating its cost, in general terms.

(c) In cases involving a health hazard with respect to the domestic water supply, a report by the local health officer or by the Department of Public Health with respect to such health hazard.

(d) Such other information as the department may require from the agency.

(Added by Stats. 1961, Ch. 1286.)

12880.5. Whenever a public agency is required to have legal counsel in connection with any of its activities pursuant to this chapter, it may use the services of the district attorney or county counsel of the county in which it is located.

Legal counsel

(Added by Stats. 1961, Ch. 520.)

12881. (Added by Stats. 1959, Ch. 1752; repealed by Stats. 1961, Ch. 1723.)

12881.5. (Added by Stats. 1959, Ch. 1752; repealed by Stats. 1961, Ch. 1723.)

12882. (Added by Stats. 1959, Ch. 1752; repealed by Stats. 1961, Ch. 1723.)

12883. The department is authorized to make state loans to public agencies for the construction of projects, from moneys available for such loans, in amounts not exceeding four million dollars (\$4,000,000) for any one project, subject to the provisions of this chapter and to the prior approval of the California Water Commission for each loan that the department proposes to make. Loans in excess of four million dollars (\$4,000,000) for any one project may be made by the department

State loans to public agencies

only upon specific authorization of the Legislature and upon such terms and conditions as the Legislature may prescribe.

(Added by Stats. 1959, Ch. 1752; amended by Stats. 1961, Ch. 1723.)

Same;  
Feasibility  
reports

12883.5. The department is authorized to make state loans to public agencies for the preparation of feasibility reports on proposed projects, from any moneys available for such loans, in an amount for any one feasibility report on a proposed project not exceeding 2 percent of the estimated cost of the proposed project or ~~twenty-five~~ fifty thousand dollars (~~\$25,000~~) (\$50,000), whichever is less, subject to the provisions of this chapter; provided, that only one such loan may be made to a public agency in relation to any one proposed project. A loan in excess of said amount for any one feasibility report may be made by the department only upon authorization by the Legislature and upon such terms and conditions as the Legislature may prescribe.

(Added by Stats. 1961, Ch. 1723; amended by Stats. 1963, Ch. 908.)

Interest  
rates

12884. The department shall require the payment of interest on each loan made pursuant to this chapter at a rate equal to the net interest cost to the State on the last sale of general obligation bonds of the State that occurred prior to the time the application for a loan was filed with the department; provided that when the applicable net interest cost to the State is not a multiple of one-quarter of 1 percent, the interest rate on the loan shall be at the multiple of one-quarter of 1 percent next above the applicable net interest cost.

(Added by Stats. 1959, Ch. 1752; amended by Stats. 1961, Ch. 1723; repealed by Stats. 1963, Ch. 1075.)

Interest  
rates

12884. The department shall require the payment of interest on each loan that is made pursuant to this chapter after September 19, 1963, at a rate equal to the average, as determined by the department, of the net interest costs to the State on the sales of general obligation bonds of the State that occurred during the period from January 1, 1962, inclusive, through the calendar year immediately preceding the calendar year in which the application is filed if the application is filed prior to the year 1968 or that occurred during the period of five calendar years immediately preceding the year in which the application is filed if the application is filed after the year 1967; provided, that when the applicable average of the net interest costs to the State is not a multiple of one-tenth of 1 percent, the interest rate on the loan shall be at the multiple of one-tenth of 1 percent next above the applicable average of the net interest costs.

(Added by Stats. 1963, Ch. 1075.)

State grants  
to public  
agencies

12885. The department is authorized to make state grants to public agencies from moneys available for such purpose in amounts not exceeding ~~three~~ four hundred thousand dollars (~~\$300,000~~) (\$400,000) for any one project for the purposes

specified in paragraphs (1) and (2) of subdivision (c) of Section 12880 and, in addition, in amounts as authorized by paragraph (3) of subdivision (c) of Section 12880, subject to the provisions of this chapter and to the prior approval of the California Water Commission for each grant that the department proposes to make. Grants in excess of ~~three~~ four hundred thousand dollars (~~\$300,000~~) (\$400,000) for any one project for the purposes authorized by paragraphs (1) and (2) of subdivision (c) of Section 12880 may be made by the department only upon specific authorization of the Legislature and upon such terms and conditions as the Legislature may prescribe.

(Added by Stats. 1959, Ch. 1752; amended by Stats. 1963, Ch. 2023)

12885.7. No member of the California Water Commission shall participate in the action of the commission in considering for approval, or approving, a loan or grant under this chapter to a public agency of which he is an officer, employee, agent, consultant, accountant, engineer, or legal counsel or in which he owns real property.

California  
Water  
Commission:  
Conflict of  
interest

(Added by Stats. 1961, Ch. 1348.)

12886. In making loans or grants pursuant to this chapter, the department shall impose terms and conditions that are designed to protect the State's investment and that are necessary to carry out the purposes of this chapter.

Terms and  
conditions

(Added by Stats. 1959, Ch. 1752.)

12887. In order to effectuate loans or grants made by the department pursuant to this chapter, the State Controller shall, upon demand of the department, draw warrants made payable to such public agencies and in such amounts as are from time to time designated by the department. The State Treasurer shall pay such warrants from available moneys in the fund.

Effectuating  
loans

(Added by Stats. 1959, Ch. 1752.)

12888. The department shall keep full and complete records and accounts concerning all of its transactions under this chapter and shall render a report on such transactions to the Legislature within 15 days after the commencement of each legislative session.

Records and  
accounts

(Added by Stats. 1959, Ch. 1752.)

12889. (Added by Stats. 1959, Ch. 1752; repealed by Stats. 1961, Ch. 1723.)

12890. The department is authorized to make from time to time such rules and regulations as may be necessary to carry out, and as are consistent with, this chapter.

Rules and  
regulations

(Added by Stats. 1959, Ch. 1752.)

12891. It shall be the duty of the State Controller to make such audit or audits of the books and records of public agencies receiving loans or grants pursuant to this chapter, as he may deem necessary from time to time, for the purposes of determining that the money received by such public agencies as loans or grants hereunder has been expended for the purposes and under the conditions authorized herein. Whenever the

Audits  
by State  
Controller



State Controller determines that any money paid to such a public agency has been expended by such public agency for purposes not authorized by this chapter, or exceeds the final cost of the project for which a loan or grant was made, or exceeds the final cost of the feasibility report for which a loan was made, the State Controller shall furnish written notice to the department and to the public agency directing the public agency to pay into the State Treasury the amount of such unauthorized expenditures, or the amount in excess of the final authorized cost of the project or the feasibility report. Upon receipt of such notice, such public agency shall, at the time specified therein, pay to the State Treasurer the amount set forth in such notice. Such amount shall, upon order of the State Controller, be deposited in the State Treasury to the credit of the California Water Resources Development Bond Fund to be available for the purposes prescribed in Section 12937 of this code.

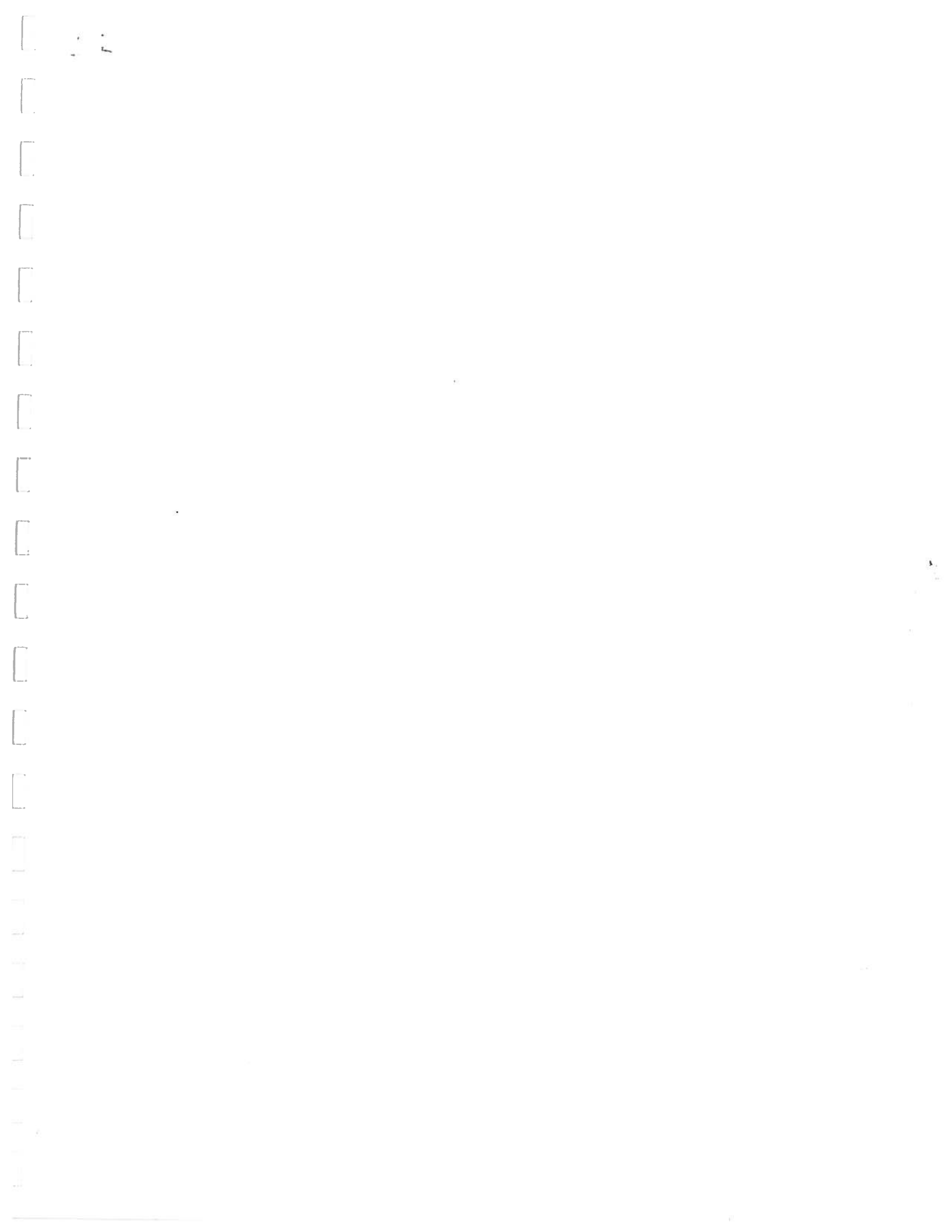
It shall be the duty of such public agency to make the payments to the State Treasurer as provided in this section, and it shall be the duty of the State Controller to enforce such collection on behalf of the State.

(Added by Stats. 1959, Ch. 1752; amended by Stats. 1961, Ch. 1723.)

Short  
title

12891.1. This chapter shall be known and may be cited as the "Davis-Crunsky Act."

(Added by Stats. 1959, Ch. 1752.)



STATE OF CALIFORNIA  
THE RESOURCES AGENCY  
DEPARTMENT OF WATER RESOURCES

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AMENDMENT TO  
DAVIS-GRUNSKY ACT GRANT CONTRACT  
between  
STATE OF CALIFORNIA  
and  
MERCED IRRIGATION DISTRICT

RECITALS

1. On October 31, 1967, the State of California acting by and through its Department of Water Resources ("State") and the Merced Irrigation District ("Agency") executed Contract No. D-GGR17 ("Contract") which provides for grants under the Davis-Grunsky Act to finance part of the construction cost of the Merced River Development Project, and which sets forth the terms and conditions of such grants.

2. The Agency entered into a 25-year lease May 10, 1973, with Calaveras Trout Farm, Inc. and Ed Murrison letting approximately 30 acres of the Merced River Development Project for a fish farm.

3. Under the lease the lessee will either stock Lake McClure and/or Lake McSwain with 11,250 pounds of catchable rainbow trout fish or pay to the Agency an amount equal to their market value.

4. Under the lease the Agency is obligated to construct a diversion through the Crocker-Huffman Dam which will channel through the leased premises, for the use of lessee, water from the Merced River in the amount of at least 30 cubic feet per second.

5. The lease will enhance the recreation benefits of the Merced River Development Project by providing catchable trout for stocking Lake McClure and/or Lake McSwain or moneys in lieu thereof to be used for recreation purposes.

6. The State and the Agency desire to revise the Contract's Recreation Plan and Plate 7 to facilitate the lease and provide for the proper use of Davis-Grunsky funds.

#### AMENDMENTS

The State and the Agency agree to amend the Contract as follows:

1. Plate 7 attached to the Contract is hereby replaced by Amended Plate 7 attached hereto.

2. Subdivision (a) of Article 12 is amended to read as follows:

(a) Recreation Plan First Stage Construction Fund

A fund entitled "Recreation Plan First Stage Construction Fund" to assure the financing of the first stage of the onshore recreation facilities, including the other recreation facilities, and the fishing access sites. Said fund shall be drawn upon by the Agency for the purpose of paying the costs of constructing the first stage of the onshore recreation facilities, including the other recreation facilities, related to both New Exchequer and McSwain Dams and Reservoirs, and the fishing access sites in accordance with the recreation plan, and the Agency shall not draw upon said fund for any other purpose: Provided, That moneys transferred to said fund from the State Facilities

Grant Account pursuant to subdivision (c) of Article 8 hereof shall be used only to pay costs of constructing the New Exchequer initial water supply and sanitary facilities and the McSwain initial water supply and sanitary facilities; Provided further, That with the prior written approval of the State, the Agency may draw from the Recreation Plan First Stage Construction Fund such amounts as the State may approve to reimburse the general fund of the Agency for costs payable from the Recreation Plan First Stage Construction Fund that are paid from the general fund of the Agency prior to the establishment of the Recreation Plan First Stage Construction Fund; and Provided further, That all moneys which the Agency receives from the Calaveras Trout Farm, Inc. and Ed Murrison pursuant to Article 3 of the lease dated May 10, 1973, between the Agency and the above shall be placed in the Recreation Plan Future Stage Construction Reserve Fund.

3. The phrase in the fourth line of Article 15 is changed from "designated on Plates 2 through 5, which plates are attached" to "designated on Plates 2 through 5 and Amended Plate 7, which plates are attached".

4. Subdivision (c) is added to Article 15 to read as follows:

(c) Other Recreation Facilities

(1) Fish Farm

(i) The following water conveyance facilities shall be installed as shown on Amended Plate 7.

(aa) An outlet and headworks from the Crocker-Huffman Diversion Dam, some open ditch and a pipe line crossing over the Agency's salmon spawning channel which will enable the Agency to supply approximately 30 cubic feet per second for trout rearing ponds: Provided, That there shall be no connection to or interference with the existing salmon spawning channel or holding ponds.

5. The phrase in the second line of subdivision (b) of Article 19 is changed from "recreation facilities, the recreation areas, and the fishing access" to "recreation facilities excluding the fish farm as shown on Amended Plate 7, the recreation areas, and the fishing access".

6. Subdivision (e) of Article 19 is amended to read as follows:

(e) Maintenance

The Agency shall cause the dam and reservoir, the onshore recreation facilities, including the fish farm and related water-conveyance facilities, the fishing access sites, and recreation areas to be maintained at all times in a safe, clean, sanitary, wholesome, and attractive condition and shall to that end, among other things, provide or cause to be provided, to the extent legally possible, reasonably adequate:

- (i) Law enforcement in the recreation areas.
- (ii) Servicing of the sanitary facilities and the recreation areas, including garbage collection.
- (iii) General supervision of the dams and reservoirs, the onshore recreation facilities, including

the fish farms and related water conveyance facilities, the fishing access sites, and recreation areas and of the recreational activities therein and thereon.

7. Subdivision (iii) of Article 20 is amended to read as follows:

(iii) A statement of expenditures made for the operation and maintenance of the dams and reservoirs for recreation and for the operation and maintenance of the onshore recreation facilities, including the fish farm and related water conveyance facilities, recreation areas, and fishing access sites, and a statement of the revenues collected from their operation.

Dated:

Approved as to legal  
form and sufficiency:

By \_\_\_\_\_  
Chief Counsel  
Department of Water Resources

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

By \_\_\_\_\_  
Director  
Address: P. O. Box 388  
Sacramento, CA 95802

MERCED IRRIGATION DISTRICT

By \_\_\_\_\_  
Title:  
Address: P. O. Box 2288  
Merced, CA 95340

COOPERATIVE AGREEMENT BETWEEN STATE OF CALIFORNIA,  
DEPARTMENT OF FISH AND GAME AND MERCED IRRIGATION DISTRICT  
REGARDING ADDITIONAL MERCED RIVER ARTIFICIAL SALMON REARING POND

This agreement, made and entered into this first day of December, 1973, at Sacramento, California, by and between the State of California, Department of Fish and Game, hereinafter called the State, and the Merced Irrigation District, hereinafter called the District.

W I T N E S S E T H :

WHEREAS, the parties heretofore entered into agreement dated July 20, 1971, wherein the District constructed for the State a salmon rearing pond facility on District land below Crocker Huffman Dam, and

WHEREAS, the State desires to construct an additional pond of a size and capacity sufficient to raise a minimum of 110,000 yearling silver salmon, and the District is agreeable thereto.

NOW THEREFORE, it is mutually agreed by and between the parties hereto as follows:

1. The District will prepare plan and specification therefor to construct at said location a fish rearing pond of a size, type, and capability of raising a minimum of 110,000 yearling silver salmon and will furnish said plan to the State.
2. Immediately upon approval of said plan and specification by the State, the District will diligently proceed with and prosecute to completion said additional pond, and notify the State of completion by June 30, 1974.
3. Upon completion by the District of said pond, the State will reimburse the District for all of its actual and necessary direct cost in connection therewith, not to



exceed \$5,000.00. Reimbursement of the District's cost will be made by the State upon receipt of itemized statement.

4. The attached addendum entitled "Fair Employment Practices" is made a part hereof by this reference.
5. The District shall comply with the Presidential Executive Order No. 11615, dated August 15, 1971, or any subsequent Order modifying, amending, terminating, or substituting for said Order, and all guidelines, rules, and regulations of the Cost of Living Council, Pay Board, and Price Commission implementing such orders. The District warrants that no wages, prices or salaries to be paid under this contract will be in excess of the maximum legally allowable pursuant to the foregoing Order, rules and regulations.
6. Time is the essence of this agreement and the terms and provisions of this agreement shall extend to and be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, this agreement has been executed by and on behalf of the parties hereto as of the day and year first above written.

STATE OF CALIFORNIA  
DEPARTMENT OF FISH AND GAME  
(State)

MERCED IRRIGATION DISTRICT  
(District)

By \_\_\_\_\_

By *Pennington R. McSwain*

COOPERATIVE AGREEMENT BETWEEN STATE OF CALIFORNIA,  
DEPARTMENT OF FISH AND GAME AND MERCED IRRIGATION DISTRICT  
REGARDING OPERATION OF ADDITIONAL MERCED RIVER ARTIFICIAL SALMON REARING POND

This agreement, made and entered into this first day of December, 1973, at Sacramento, California, by and between the State of California, Department of Fish and Game, hereinafter called the State, and the Merced Irrigation District, hereinafter called the District.

W I T N E S S E T H :

WHEREAS, the parties heretofore entered into agreement to provide for construction of an additional rearing pond for silver salmon on District-owned land below Crocker Huffman Dam, and

WHEREAS, the State desires to have the District operate said additional pond in accordance with the provisions hereinafter expressed, and the District is agreeable thereto

NOW THEREFORE, it is mutually agreed by and between the parties hereto as follows:

1. The District will furnish for a period of four years commencing with the date of completion thereof the use of the land necessary, the necessary electric energy, and the necessary water therefore to permit the operation of silver salmon rearing pond.
2. The State will proceed to rear annually 110,000 yearling silver salmon, or such greater or lesser number as are actually produced from said additional silver salmon rearing pond.
3. In consideration of the District's contribution toward operation of said additional rearing pond, the State will deliver to the

District, after taking the first 100,000 yearling silver salmon produced, the next 10,000 yearling silver salmon, or any such lesser number as are actually produced in excess of the first 100,000. Any number of yearling silver salmon produced therefrom in excess of 110,000 salmon will be retained by the State, except in the event that in any prior year of operation that the State was unable to deliver a full 10,000 salmon to the District, the District may at its option receive any number of salmon not to exceed the shortage in the previous year.

4. Salmon contemplated to be delivered under this agreement shall be hatched at the Moccasin Creek State Fish Hatchery or other facility as the State may elect to use for this purpose, and raised at the additional rearing pond.
5. In the event of failure of the State to produce said silver salmon for any reason, including but not limiting to disease of fish or conditions beyond the control of the State, the State will not be obligated to deliver fish.
6. This agreement may be terminated at any time following construction, upon the State giving written notice to the District at least ninety days next preceding the date of such termination.
7. Upon termination of this agreement, the District may salvage any and all parts and appurtenances installed by the District hereunder. In the event of such salvage, the State shall be under no obligation to restore the site; otherwise the State will salvage such portions thereof as it may and will restore

the site to that condition as existed immediately prior to such construction work as is reasonably practical, ordinary wear and tear, acts of God, and conditions over which the State has no control excepted.

8. All notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid, and addressed as follows:

To the District at: Merced Irrigation District  
P. O. Box 2288  
Merced, California 95340

and

To the State at: Department of Fish and Game  
1416 Ninth Street  
Sacramento, California 95814

9. Nothing herein contained shall preclude the giving of any such written notices by personal services. The address to which notices shall be mailed as aforesaid to either party may be changed by written notice given by such party to the other as herein before provided.
10. The attached addendum entitled "Fair Employment Practices" is made a part hereof by this reference.
11. The District shall comply with the Presidential Executive Order No. 11615, dated August 15, 1971, or any subsequent Order modifying, amending, terminating, or substituting for said Order, and all guidelines, rules, and regulations of the Cost of Living Council, Pay Board, and Price

Commission implementing such orders. The District warrants that no wages, prices or salaries to be paid under this contract will be in excess of the maximum legally allowable pursuant to the foregoing Order, rules and regulations.

12. Time is the essence of this agreement and the terms and provisions of this agreement shall extend to and be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, this agreement has been executed by and on behalf of the parties hereto as of the day and year first above written.

STATE OF CALIFORNIA  
DEPARTMENT OF FISH AND GAME  
(State)

MERCED IRRIGATION DISTRICT  
(District)

By \_\_\_\_\_

By Kenneth A. McSwain

## FAIR EMPLOYMENT PRACTICES ADDENDUM

1. In the performance of this contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, ancestry, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the State setting forth the provisions of this Fair Employment Practices section.
  
2. The Contractor will permit access to his records of employment, employment advertisements, application forms, and other pertinent data and records by the State Fair Employment Practice Commission, or any other agency of the State of California designated by the awarding authority, for the purposes of investigation to ascertain compliance with the Fair Employment Practices section of this contract.
  
3. Remedies for Willful Violation:
  - (a) The State may determine a willful violation of the Fair Employment Practices provision to have occurred upon receipt of a final judgment having that effect from a court in an action to which Contractor was a party, or upon receipt of a written notice from the Fair Employment Practices Commission that it has investigated and determined that the Contractor has violated the Fair Employment Practices Act and has issued an order, under Labor Code Section 1426, which has become final, or obtained an injunction under Labor Code Section 1429.
  
  - (b) For willful violation of this Fair Employment Practices provision, the State shall have the right to terminate this contract either in whole or in part, and any loss or damage sustained by the State in securing the goods or services hereunder shall be borne and paid for by the Contractor and by his surety under the performance bond, if any, and the State may deduct from any moneys due or that thereafter may become due to the Contractor, the difference between the price named in the contract and the actual cost thereof to the State.

copy

and recreation area, and a calculation of use by recreational activity and by area of residence of the user.

(iii) A statement of expenditures made for the operation and maintenance of the dams and reservoirs for recreation and for the operation and maintenance of the onshore recreation facilities, recreation areas, and fishing access sites, and a statement of the revenues collected from their operation.

#### D. FISH ENHANCEMENT PLAN

##### 21. DEFINITION

When used in this Part D the term "Merced River spawning area" shall mean the reach of the Merced River from the Crocker-Huffman Diversion Dam to the Santa Fe Railroad Bridge at Cressey.

##### 22. FISH ENHANCEMENT FACILITIES

The Agency shall cause the following fish enhancement facilities to be constructed:

###### (a) Artificial Spawning Channel and Holding Pond

An artificial spawning channel with a length of at least 3600 feet, bottom width of at least 63 feet, and having side slopes of two feet horizontal to each one foot vertical shall be constructed. The artificial spawning channel shall have a downstream slope of between 0.0008 and 0.0012, with the exact slope chosen so as to provide a water depth between one and one-half feet and two feet and water velocity of two feet per second. The channel shall be located adjacent to Crocker-Huffman Diversion Dam on the south bank of the Merced River, with the channel inlet upstream from such diversion dam, the headworks of the channel in the south levee of such diversion dam, and the channel outlet downstream from such diversion dam. The purpose of the channel shall be to increase

the salmon capacity of the Merced River by providing increased spawning gravels and the design and construction of the channel shall be performed so as to best achieve this purpose.

A holding pond 200 feet in length with a bottom width of 15 feet shall be constructed adjacent to the artificial spawning channel. The purpose of the holding pond shall be to provide for the rearing of yearling salmon and the design and construction of the pond shall be performed so as to best achieve this purpose.

The location and general layout of the artificial spawning channel and the holding pond shall be as shown on Plate 7.

(b) Diversion Structures and Fish Screening Devices

At the following points of diversion in the Merced River spawning area the Agency shall cause diversion structures to be modified so as to allow free passage of salmon through such structures both upstream and downstream and to permit proper installation and operation of fish screening devices:

(1) At diversion point near Merced County Snelling area dump in the NE $\frac{1}{4}$  Sec. 11, T5S, R14E, MDB&M.

(2) At diversion point one-fourth mile upstream from Henderson Park in the NE $\frac{1}{4}$  Sec. 10, T5S, R14E, MDB&M.

(3) At diversion point near the town of Snelling in the NE $\frac{1}{4}$  Sec. 9, T5S, R14E, MDB&M.

(4) At diversion point near G Street Bridge in the NE $\frac{1}{4}$  Sec. 17, T5S, R14E, MDB&M.

(5) At Cowell ditch diversion point in the SW $\frac{1}{4}$  Sec. 17, T5S, R14E, MDB&M.

(6) At diversion point from the South Channel, in the NW $\frac{1}{4}$  Sec. 32, T5S, R13E, MDB&M.



Fish screening devices will be installed by the Agency at each of such diversion structures. Such screens shall be designed and constructed to keep young fish in the mainstream of the river. The type of fish screening devices used and the place and method of installation of such devices shall be approved by the State Department of Fish and Game before installation.

(c) River Channel Modification

The Agency shall modify the Merced River spawning area as necessary to assure free passage of salmon to and from the Merced River spawning area and to provide maximum availability of the spawning gravels in the Merced River spawning area at the Merced River flows to be provided pursuant to Article 24. Such modification shall include, but not be limited to, the construction of an adult fish barrier in the mouth of the South Channel (SE $\frac{1}{4}$  Sec. 30, T5S, R13E, MDB&M) and in all other dead-end channels in the Merced River spawning area to prevent salmon from migrating upstream in such dead-end channels, the lowering of the North Channel (SW $\frac{1}{4}$  Sec. 28, T5S R13E, MDB&M) to ensure that major flows will follow the river channel rather than the bypass, and the reworking of channel gravels as reasonably may be recommended by the State Department of Fish and Game to improve spawning potential.

23. TIMING, MANNER, AND STANDARDS OF CONSTRUCTION OF FISH ENHANCEMENT FACILITIES

(a) Fish Enhancement Facilities Completion Date

The Agency shall cause the construction of the fish enhancement facilities to be completed and available for the purposes for which they are intended not later than March 15, 1969, provided, that said date for completion may be extended upon written approval of the State.

(b) Construction Pursuant to Plans and Specifications;  
Construction Under Supervision of Fish and Game

The fish enhancement facilities shall be constructed in accordance with detailed plans and specifications that shall be submitted to, and that are approved in writing by, the State, or with any revisions thereof approved by the State. Construction of the fish enhancement facilities shall be performed under the general supervision of the State Department of Fish and Game.

(c) Basic Construction Standards Guide

The fish enhancement facilities shall be designed and constructed to standards that shall be determined adequate by the State to enhance the fish production of the Merced River and to protect the health, safety, and welfare of the public.

(d) Determination of Completion of Construction

For the purposes of this contract, construction of the fish enhancement facilities shall be considered to be completed or terminated when so determined by the State, and the State shall give the Agency prompt written notice of such determination. The State shall within 45 days from receipt of a written statement from the Agency that, in the opinion of the Agency, the construction of the fish enhancement facilities is completed, notify the Agency of its determination that such construction is, or is not, completed.

24. PROJECT OPERATION AND MAINTENANCE FOR FISH ENHANCEMENT

(a) Maintenance of Optimum Flows in Merced River Spawning Area

The Agency shall maintain a continuous flow of between 180 and 220 cubic feet per second in the Merced River spawning area each year during the period November 1 to April 1, provided, that the Agency shall not be required to maintain such flow during

emergency occurrences, such as a flood condition or mechanical or other operational failure, beyond the control of the Agency; or when to do so would prevent it from fulfilling its obligations under its contract with the Pacific Gas and Electric Company dated June 25, 1964, together with amendments to such contract to the date of this contract, or its obligations under its contract with the United States Department of the Army, Corps of Engineers, providing for flood control on the Merced River, with amendments to such contract to the date of this contract. The Agency shall maintain such flows by making appropriate releases from New Exchequer Dam and McSwain Dam, and a combination of releases from Crocker-Huffman Diversion Dam and the artificial spawning channel, and by diverting excess flows through the Agency's irrigation system at Crocker-Huffman Diversion Dam, to the extent such diversion is physically possible. During the initial five years of project operation, a cooperative study by the Agency and the State Department of Fish and Game will be made to determine the most efficient continuous flow required to maintain the salmon fishery during the period of November 1 to April 1. After such study is completed the continuous flow requirements of this subdivision may be increased or decreased to such continuous flow which is determined to be the most efficient; provided, that such increase or decrease is mutually agreed upon by the Agency and the State Department of Fish and Game. The Agency shall make releases from New Exchequer Dam and McSwain Dam so that insofar as is possible in consideration of project operation for power, irrigation and flood control, water temperatures satisfactory for salmon reproduction in the Merced River spawning area will be provided.

(b) Flushing Flows to Facilitate the Downstream Migration of Young Fish

During the initial five years of project operation, a cooperative study by the Agency and the Department of Fish and Game will determine the most efficient flow regime during February, March and April to assist the young salmon on their migration to the ocean. Once established by this study, this flow regime will be continued annually by the Agency.

(c) Production of Yearling Salmon

The Agency shall cause to be reared and planted in the Merced River 100,000 yearling salmon annually for the initial nine years following completion of the fish enhancement facilities. The Agency shall take eggs for such program from the Stanislaus River until sufficient eggs become available from the Merced River. The rearing of salmon may be done at a State installation at the Agency's expense.

(d) Minimum Storage New Exchequer Reservoir

The Agency shall maintain the water surface elevation in New Exchequer Reservoir as high as is possible, consistent with other project operational demands, throughout the period April through October of each year, and shall maintain at all times a minimum pool of 115,000 acre-feet in such reservoir for maintenance of fishlife.

(e) Achievement of Fish Enhancement Benefits

In operating and maintaining the project for fish enhancement, the Agency shall refrain from intentionally or negligently doing any act, or failing to do any act, which would impair the achievement of the fish enhancement benefits described in the project feasibility report and the supplements thereto.

(f) Availability of the Merced River Spawning Area

The Agency shall cause the Merced River spawning area to be continuously available for fish enhancement throughout the term of this contract in a condition substantially the same as on the date of completion of the fish enhancement work described in Article 22; provided, that the Agency may, with the approval of the State, provide equivalent spawning gravels in lieu of areas of the Merced River spawning area which are destroyed by natural causes or the acts of others. In the event a dam is constructed by any entity other than the State of California or the United States below Crocker-Huffman Diversion Dam and such dam prevents the free passage of salmon upstream or downstream, the Agency shall pay to the State a sum of money computed in accordance with the formula set forth in subdivision (b) of Article 11.

The Agency shall oppose any proposal to change the zoning regulations of the County of Merced so as to allow gravel mining in the Merced River spawning area. The Agency shall promptly notify the State of any such proposal or any attempted gravel mining in the Merced River spawning area.

(g) Maintenance, Operation and Replacement of Fish Enhancement Facilities

The Agency shall cause the fish enhancement facilities constructed pursuant to subdivisions (a) and (b) of Article 22 to be maintained, operated and replaced so that at all times during the term of this contract such facilities shall be in good operable condition.

(h) Compliance with Law

The Agency shall cause the project to be operated and maintained for fish enhancement in compliance with all laws, regulations, orders, and other lawful directives of the State of California and of local agencies that are from time to time applicable to such operation and maintenance.

25. REPORTS ON PROJECT OPERATION FOR FISH ENHANCEMENT

In the year following the year in which construction of the fish enhancement facilities is completed, and in each year thereafter, the Agency shall furnish or cause to be furnished to the State, on or before the fifteenth day of each month, a written report on the operation of the project for fish enhancement during the preceding month. Said report shall consist of:

(1) A continuous streamflow hydrograph indicating the flows at Shaffer Bridge (Montpellier Road crossing about five miles upstream from Cressey);

(2) A continuous streamflow hydrograph indicating the quantities of flow in the artificial spawning channel; and